

AGENDA

***A M E N D E D**

**SPECIAL COUNCIL MEETING
TUESDAY
MAY 24, 2016**

**COUNCIL CHAMBERS
211 WEST ASPEN AVENUE
4:00 P.M.**

1. CALL TO ORDER

NOTICE OF OPTION TO RECESS INTO EXECUTIVE SESSION

Pursuant to A.R.S. §38-431.02, notice is hereby given to the members of the City Council and to the general public that, at this regular meeting, the City Council may vote to go into executive session, which will not be open to the public, for legal advice and discussion with the City's attorneys for legal advice on any item listed on the following agenda, pursuant to A.R.S. §38-431.03(A)(3).

2. ROLL CALL

NOTE: One or more Councilmembers may be in attendance telephonically or by other technological means.

MAYOR NABOURS
VICE MAYOR BAROTZ
COUNCILMEMBER BREWSTER
COUNCILMEMBER EVANS

COUNCILMEMBER ORAVITS
COUNCILMEMBER OVERTON
COUNCILMEMBER PUTZOVA

3. PLEDGE OF ALLEGIANCE AND MISSION STATEMENT

MISSION STATEMENT

The mission of the City of Flagstaff is to protect and enhance the quality of life of its citizens.

4. Consideration and Possible Action re Suspension of the Rules

RECOMMENDED ACTION:

Should a majority of Council wish to suspend the rules for this meeting, recommendation would be to suspend Rule 7.03, *Decorum and Order Among Citizen Participants*, and Rule 9.01, *Non-Public Hearing Discussions*, to allow a speaker to address the Council for more than three minutes, and more than three times during the meeting.

5. Cost of Housing Comprehensive Discussion (*PowerPoint now included and attachments updated*)

6. **INFORMATIONAL ITEMS AND REPORTS FROM COUNCIL AND STAFF, FUTURE AGENDA
ITEM REQUESTS**

7. **ADJOURNMENT**

CERTIFICATE OF POSTING OF NOTICE

The undersigned hereby certifies that a copy of the foregoing notice was duly posted at Flagstaff City Hall on _____, at _____ a.m./p.m. in accordance with the statement filed by the City Council with the City Clerk.

Dated this ____ day of _____, 2016.

Elizabeth A. Burke, MMC, City Clerk

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Elizabeth A. Burke, City Clerk
Date: 05/20/2016
Meeting Date: 05/24/2016



TITLE:

Consideration and Possible Action re Suspension of the Rules

RECOMMENDED ACTION:

Should a majority of Council wish to suspend the rules for this meeting, recommendation would be to suspend Rule 7.03, *Decorum and Order Among Citizen Participants*, and Rule 9.01, *Non-Public Hearing Discussions*, to allow a speaker to address the Council for more than three minutes, and more than three times during the meeting.

Executive Summary:

This item has been placed on the agenda by a majority of the Council to have an open discussion with members of the public regarding the cost of housing in Flagstaff. In an attempt to allow for an easier discussion, it has been suggested that Council may wish to suspend those rules contained within the Council's Rules of Procedure that limit the amount of time a member of the public may speak to three minutes, and the number of times they may speak during a meeting to three.

Financial Impact:

Connection to Council Goal and/or Regional Plan:

COUNCIL GOALS:

8) Improve effectiveness of notification, communication, and engagement with residents, neighborhoods and businesses and about City services, programs, policies, projects and developments

Previous Council Decision on This:

No, other than during the F.A.I.R. item to determine if a majority of Council wished to place this item on a future agenda.

Options and Alternatives:

- 1) Discuss the item
- 2) Discuss the item and continue discussion to a future meeting
- 3) Discuss the item and direct staff with future action

Background/History:

The following rules contained in the Council-adopted Rules of Procedure limit the amount of time and number of times a citizen may address an issue before Council. In an attempt to allow for an easier discussion, it has been suggested that Council may wish to suspend these two specific rules.

7.03 Decorum and Order among Citizen Participants

Citizens are allowed to address the Council **a maximum of three times throughout the meeting**, including comments made during Public Participation. Other than Public Participation, comments shall be limited to the business at hand. Once the Chair recognizes a speaker, the Chair shall limit the period of speaking to a reasonable period of time **of no more than three minutes per person**, at the discretion of the Chair and a speaker may address the Council with the speaker's own statements and the statements of other persons within the set time period.

9.01 Non-Public Hearing Discussions Any person wishing to speak on any matter on the agenda before the Council shall fill out a comment card and submit that card to the recording clerk, who will deliver the card to the Chair. The Chair shall limit the period of speaking to a reasonable period of time **of no more than three minutes per person**, a speaker may address the Council with the speaker's own statements and the statements of other persons within the set time limit. The person desiring to speak shall limit his or her remarks to the matter under discussion and shall address his or her remarks to the Chair. At the discretion of the Chair, ten or more persons present at the meeting and wishing to speak may appoint a representative who may have no more than fifteen minutes to speak.

Community Involvement:

Inform
Consult
Involve
Collaborate

Attachments:

No file(s) attached.

CITY OF FLAGSTAFF STAFF SUMMARY REPORT

To: The Honorable Mayor and Council
From: Dan Folke, Planning Director
Date: 05/16/2016
Meeting Date: 05/24/2016



TITLE:

Cost of Housing Comprehensive Discussion (*PowerPoint now included and attachments updated*)

DESIRED OUTCOME:

The item has been placed on the agenda at the request of Council. Staff is providing information in order to support the community discussion.

EXECUTIVE SUMMARY:

A series of questions is proposed to get the community discussion started.

1. What impediments do you see in developing housing?
2. What is your experience with the local cost of labor?
3. What is your experience with the cost of materials?
4. Can you find the trades you need?
5. What are other economic and market impacts on housing costs?

The discussion is not limited to these questions and Council is encouraged to pursue their area of interest in this community discussion.

Included in the packet for review and discussion are:

1. A summary of the city fees collected for residential development
2. Maps depicting vacant parcels one (1) acre or larger, zoning, and access to sewer and water
3. Report on Implementation of the Housing Task Force Recommendations
4. Flagstaff Housing Report 0416
4. Wage, Cost of Living and Housing Summary
5. Property Use Information

INFORMATION:

COUNCIL GOALS:

- 5) Explore and adopt policies to lower the costs associated with housing to the end user
- 7) Continue to implement the Flagstaff Regional Plan and focus efforts on specific plans

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- Attachments:**
- [PowerPoint](#)
 - [Residential Fees *UPDATED*](#)
 - [CCR - Housing Task Force Report](#)
 - [Housing Task Force Report](#)
 - [Housing Task Force Matrix](#)
 - [Flagstaff Housing Report 0416](#)
 - [Wage Cost of Living matrix](#)
 - [Property Use Information](#)
 - [Vacant Parcel maps](#)

Cost of Housing In Flagstaff, Arizona

City Council Work session
May 24, 2016



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Economics of Housing Costs

Discussion Items:

- Nexus Study 2008
- Current Market Statistics
- Economic Development Dynamics



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Nexus Study

Nexus Study Recommendations:

- Community Infrastructure** should include workforce housing
- Workforce Housing** affects Flagstaff's ability to compete for new employees
- Workforce Development** is leveraging our educational institutions to improve workforce delivery to our local employers
- Business Recruitment** should be balanced with other community development priorities. Market high quality – high wage to high skill firms
- Bioscience** firms should continue to be targeted
- Business Retention** efforts should include continual outreach
- Flagstaff Airport** should continue to secure additional air service
- Sustainable City** should be the city's commitment by improving our natural resources and systems
- Employee Recruitment and Retention** problems can be addressed through housing initiatives such as funding assistance, supply of rental housing, and continuing the City's Community Land Trust Program

Source: Housing and Community Sustainability Nexus Study Final Report, February 2008



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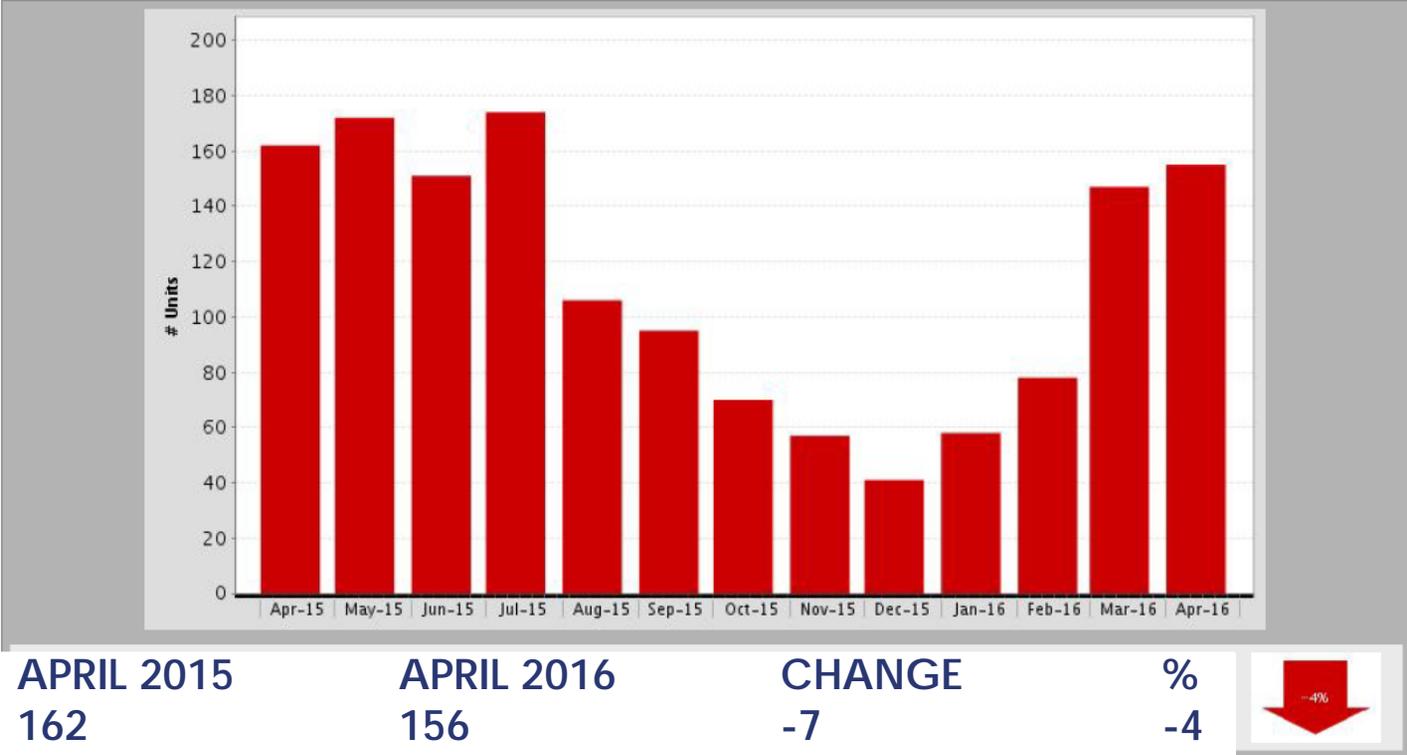
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Current Market Statistics

NEW PROPERTIES BY MONTH April 2015 vs. April 2016
The number of New Properties is down 4%



4% decline



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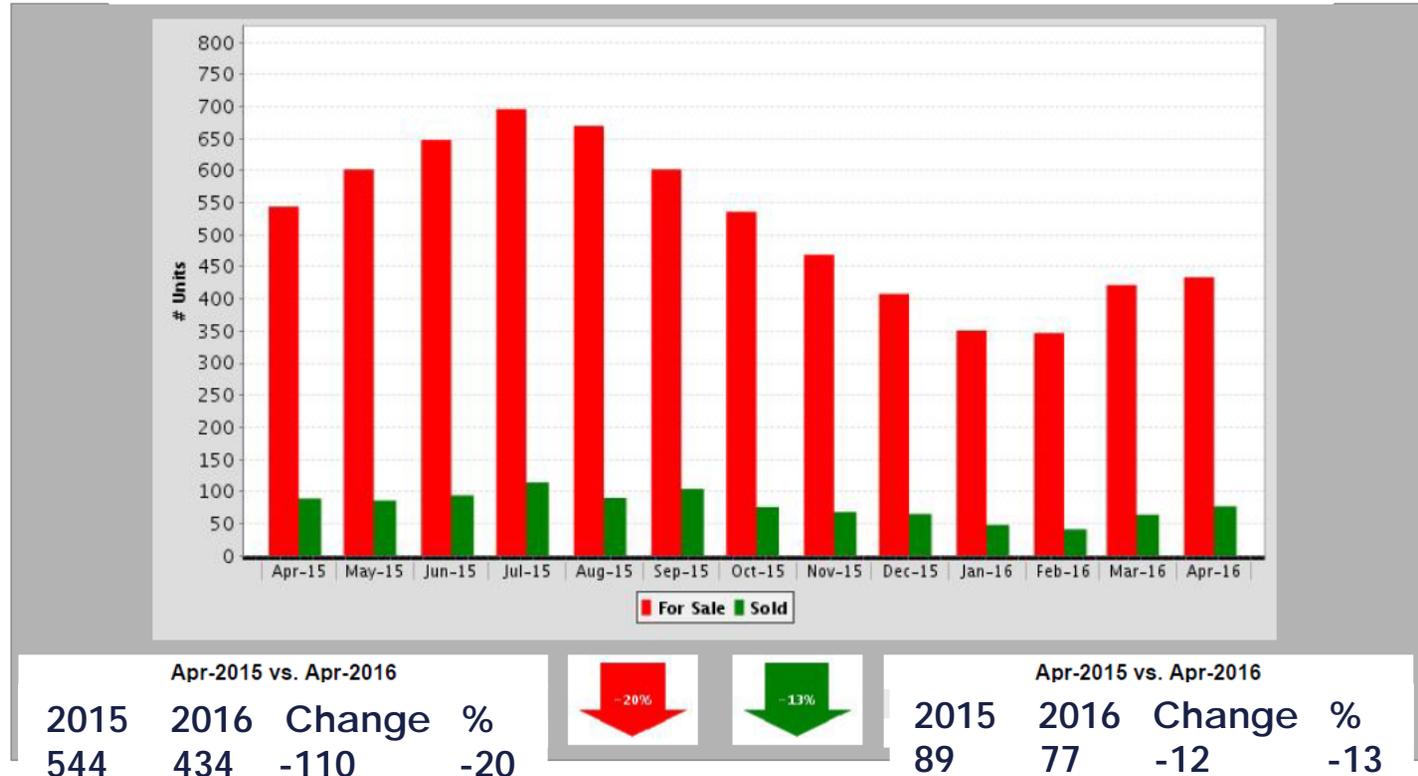




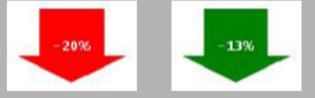
Current Market Statistics

SUPPLY & DEMAND BY MONTH APRIL 2015 – APRIL 2016

The number of **FOR SALE PROPERTIES** is down **20%**
and the number of **SOLD PROPERTIES** is down **13%**



Apr-2015 vs. Apr-2016			
2015	2016	Change	%
544	434	-110	-20



Apr-2015 vs. Apr-2016			
2015	2016	Change	%
89	77	-12	-13

20% decline 13% decline



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Economic Development Dynamics

Driving Forces:

- Second Home Owners
- University Student Rentals
- Tourist Town



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Market Value:

- Most Probable Price
- Open and Competitive Market
- Fair Sale
- Buyer and Seller each acting prudently and knowledgeably
- Price not affected by undue stimulus



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Market Price:

- Actual selling price
- Determined by supply and demand
- No coercion, not a forced sale
- Well-informed buyers and sellers (full disclosure)
- A reasonable time for the property to be exposed to the open market for sale
- Payment in cash or equivalent.



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Forces Affecting Value (PEGS)

1. **Physical (Environmental):** Location of the property, physical characteristics, condition.

1. **Economic:** Interest rates, job and income availability/ stability, price/rent levels.

2. **Governmental:** Restrictions, zoning, building codes, safety, health

3. **Social:** Crime, income levels, public services.

* The most important physical factor affecting value is location.



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Data from Northern Arizona Multiple Listing as of 5/17/16

Summary Statistics

	2016 YTD	2015 YTD	% Chg
Absorption Rate	4.34	5.41	-19.78
Average List Price	\$460,583	\$422,401	9.04
Median List Price	\$328,200	\$299,900	9.44
Average Sale Price	\$316,488	\$289,112	9.47
Median Sale Price	\$275,000	\$250,000	10.00
Average CDOM	134	131	2.29
Median CDOM	85	81	4.94



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Single Family Fee Comparison

1637 SF	Flagstaff	U.S.
<u>\$ value/SF</u>	<u>\$67</u>	<u>\$113</u>
Permit	\$1,699	\$2,370
<u>Plan Review</u>	<u>\$1,104</u>	<u>\$1,540</u>
Total	\$2,803	\$3,910



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Single Family Fee Comparison

3224 SF	Flagstaff	U.S.
<u>\$ value/SF</u>	<u>\$92</u>	<u>\$113</u>

Permit	\$3,397	\$3,987
<u>Plan Review</u>	<u>\$2,208</u>	<u>\$2,591</u>
Total	\$5,605	\$6,578



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Multi-Family Fee Comparison

12 Units	Flagstaff	U.S.
\$ value/SF	\$82	\$108
Permit	\$11,279	\$16,242
Plan Review	\$ 7,331	\$10,557
Total	\$18,610	\$26,799



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Thank you and Good Evening!



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City of Flagstaff Residential Fees

May 20, 2016

	1,637 SF Single Family Home	2,390 SF Single Family Home	3,224 SF Single Family Home	Multi-Family Project (9 units)
Development Review				
Concept & Site Plan	N/A	N/A	N/A	\$2,479
Building Department				
Building Permit	\$1,699	\$2,157	\$3,397	\$10,650
Plan Check	\$1,104	\$1,402	\$2,208	\$6,922
Fire Impact Fee	\$366	\$366	\$366	\$3,078
Police Impact Fee	\$182	\$182	\$182	\$1,530
Utilities				
Meter Fee	\$340	\$340	\$340	\$1,070
Water Capacity Fee	\$5,728	\$5,728	\$5,728	\$30,530
Sewer Capacity Fee	\$3,723	\$3,723	\$3,723	\$33,507
Water Connection Fee	\$207	\$207	\$207	\$337
Sewer Connection Fee	\$300	\$300	\$300	\$300
Fees & Taxes	\$57	\$57	\$57	\$167
Development Eng.				
Development Eng.	N/A	N/A	N/A	\$1,164
Public Improvements	N/A	N/A	N/A	\$1,757
Grading permit	N/A	N/A	N/A	\$364
Floodplain permit	N/A	N/A	N/A	\$45
Total Fees	\$13,706	\$14,462	\$16,508	\$93,900 or \$10,433/unit*

*Redevelopment of sites qualify for meter credit. In the multi-family example credit would be \$18,034. Adjusted fees: \$71,546 or \$7,950 per unit.

CITY COUNCIL REPORT

DATE: May 4, 2016

TO: Mayor and Councilmembers

FROM: Mark Landsiedel, Community Development Director
Sarah Darr, Housing Director

CC: Josh Copley, Barbara Goodrich, Leadership Team

SUBJECT: Overview of the Community Housing Policy Taskforce and Outcomes

This report provides an overview of the Community Housing Policy Taskforce (CHPT) effort in 2004/2005 and the subsequent results.

The CHPT report served as one of the guiding documents for the work program of the Housing Section until the recommendations had either been individually addressed, were an on-going effort or determined to be out of the control of staff or the City. Elements of the CHPT report remain part of the current work program. Additionally, the Land Development Code was amended to include the Taskforce recommendations and ultimately incorporated into the new Zoning Code. The then "Set-Aside Policy" was also replaced by the Incentive Policy for Affordable Housing, adopted by Council in 2009.

DISCUSSION

Background

Established by Resolution 2004-97 on December 21, 2004

- One year sunset
- Final report dated December 5, 2005
- Accepted by Council June 6, 2006
- Taskforce effort by the City won an Innovative Partnership award from Arizona Department of Housing "Housing Hero Award" in 2007

Purpose:

- Review all relevant City of Flagstaff (City) policies, standards and regulations related to land use, development standards and processes and recommend changes to the Council that result in increasing the supply of affordable housing for all segments of the community.

Membership - 15 members and 4 staff:

- Northern Arizona Building Association – 1 member
- General Contractors – 2 members (one large, one small)
- Engineer – 1 member
- Architect – 1 member
- Non-profit housing organizations – 2 members
- Citizen at large – 2 members
- Coconino County Planning Department – 1 member
- Northern Arizona University – 1 member
- Flagstaff Unified School District – 1 member
- Representative from a large employer – 1 member
- City Council – 2 members
- City staff from Community Development – 4 members (one each from Engineering, Land Development Code, Housing and Planning)

Task Force Reviewed:

- Land Development Code
- Regional Plan
- Community Land Trust Program
- Components of the cost of housing
- The current market (at that time)
- Projected developments and available land

Four working groups established:

- Land Supply
- Engineering Standards
- Zoning
- Finance/Bonding

Recommendations

Land Supply Working Group - Eight recommendations

1. Undertake neighborhood planning and identify infill and redevelopment needs
 - Ongoing
2. Identify potential annexation areas
 - Ongoing
3. Identify and redevelop underutilized sites
 - Ongoing
4. Identify City-owned parcels for immediate development of workforce housing – Explore use of City & other publicly owned land for affordable housing & mixed-use projects.
 - Identification completed and utilization ongoing – Multiple parcels have been utilized for development
5. Revise Regional Plan to emphasize affordable housing as a guiding principle
 - Completed

Three are not within control of the City, as the City does not have authority over the use of State Land or Forest Service land

6. Identify USFS sites for potential development
7. Advocate & Identify land exchange and use of percentage of State Trust Lands for Workforce Housing
8. Assure State lands include affordable housing and owner-occupied units.

Bonding and Finance Working Group

- Four recommendations
 - Two on-going
 - Administer and promote other government funding
 - Encourage private and major employers to promote workforce housing efforts, such as employer assisted housing
 - Two Completed
 - Fund needs assessment
 - Nexus Study completed and accepted by Council June 2008
 - Amend City Charter for workforce housing
 - Put forward as ballot measure Proposition 404 – failed May 2003

Engineering Standards and LDC Working Groups

- Seventeen Recommendations
 - Discussed at length in following pages
 - One is on-going
 - Research other jurisdictions

Updated Report/Analysis on the Status of the Original Flagstaff Community Housing Policy Task Force Recommendations from the Engineering Standards and LDC Working Groups

The majority of the text below is from the original report by Roger Eastman dated January 23, 2007. The bulk of the original text has been retained, as it provides an analysis of the original recommendation from the Community Housing Policy Task Force, although the inserted amendments to the former Land Development Code have been deleted as they are no longer germane. A short statement below each recommendation titled "Current Status" and in italics describes the status of the recommendation and where in the new 2011 Flagstaff Zoning Code it may be found.

Summary of Recommendations:

A summary of the Community Housing Policy Task Force recommendations is provided below with a brief commentary on whether it was supported as drafted, supported with modifications, or declared infeasible. For those determined to be infeasible at this time, they may be adopted and incorporated into the Land Development Code as part of broader amendments, including for example, possible Form-Based Codes for specific areas of the City.

Recommen- dation #	CHPTF Recommendation	Status/comment
General CHPTF Recommendations:		
1	Promote curb cut installation	Supported by staff with modifications
2	Improve infrastructure – infill projects	Supported by staff - policy decision by City Council
3	Expand infrastructure – infill projects	Supported by staff - policy decision by City Council
Short-term CHPTF Recommendations:		
4	Establish a substantial conformance process	Supported by staff – amendments proposed
5	Revise development standards in multi-family zones	Recommendations not supported at this time by staff (infeasible)
6	Allow residential uses in commercial zones	Supported by staff and expanded – amendments proposed
7	Open yard area concept for single-family lots	Supported by staff for multi-family developments - amendments proposed
8	Allow detached garages to encroach into setback areas	Supported by staff with modifications, and expanded – amendments proposed
9	Allow ADUs (Accessory Dwelling Units) over detached garages	Supported by staff with modifications, and expanded – amendments

		proposed
10	Allow ADUs to be rented	Supported by staff and expanded – amendments proposed
11	Allow overlapping resource protection areas	Supported by staff with modifications – also to be addressed in Set-Aside Policy
12	Exclude resources removed from required facilities	Recommendation not supported by staff
13	Change threshold for stormwater detention facilities	Recommendation not supported at this time by staff
14	Modify parking standards for multi-family developments	Supported by staff with modifications – amendments proposed
15	Use of driveways	Supported by staff with modifications – also to be addressed in Set-Aside Policy
16	Driveway standards	Supported by staff with modifications – also to be addressed in Set-Aside Policy
17	Allow tandem parking	Supported by staff – amendments proposed
Other staff Recommendations:		
--	Amendments to Definitions	Amendments proposed
--	Home day care and day care centers/home occupations	Amendments proposed
--	Homeless shelters	Amendments proposed
--	Permit single-family residences in M-H-E zoning districts	Amendments proposed
--	Prohibition on private streets in affordable projects	Amendments proposed
Long-term CHPTF Recommendations:		
1	Variable density concept	No recommendations proposed
2	Tree preservation methodology	No recommendations proposed
3	Tree preservation rate	No recommendations proposed
4	Tree replacement	No recommendations proposed
5	Consolidated zone concept	No recommendations proposed
6	Create a high-rise district	No recommendations proposed
7	Change the urban growth boundary	No recommendations proposed
Other staff recommendations:		
	Other staff long-term suggestions	No recommendations proposed

Staff has only reviewed, commented on and proposed amendments to the Land Development Code based on the short and medium term recommendations of the

Standards and Engineering Subcommittees of the Community Housing Policy Task Force. While the long term recommendations of the Task Force have been discussed in general, they have not been studied in detail, and no proposed revisions to the Land Development Code are suggested by staff at this time.

Overview of specific Flagstaff Community Housing Policy Task Force recommendations:

The following Land Development Code amendments are proposed based upon the final recommendations of the Flagstaff Community Housing Policy Task Force.

Task Force Recommendation #1 – Promote the installation of curb cuts with initial subdivision construction so that the property owner does not have to incur the expense of cutting the curb at the time his residence is constructed.
Staff Recommendation: Staff supports this Task Force recommendation with modifications.

Current Status:

Engineering Standard permit the use of rolled curb on streets in townhome and planned options where lot widths are less than or equal to 40 ft. This allows curb to be constructed without the need to cut in driveways for the residence when constructed.

Commentary:

This recommendation was discussed with the City Engineer and Development Services Director on September 22, 2006. The City Engineer commented via e-mail that the City does allow the construction of curb cuts for residential driveways during the construction of the road provided that the location of the associated house is known (such as in town home or planned developments where building locations are established as part of the final plat) and provided that the entire driveway entrance is constructed at that time to accommodate drainage issues.

However, when the location of the home is not know at the time of street construction (such as in single-family subdivision developments), the City Engineer typically requires that curb cut locations must be determined and constructed by the individual home builder at the time the home is constructed, rather than at the time of road construction. A primary reason for this is to prevent erosion problems caused by stormwater eroding behind and underneath the driveway apron during storm events. Also, the City Engineer is concerned with the need to dig and patch new asphalt in the street if the driveway is established in the wrong place and has to be moved based on the design of the new home. He further notes that the cost of placing curb is likely to be more if the crew is required to install and finish curb cuts instead of only installing straight curb. Staff has also determined from a concrete cutting company that conducts extensive business in the Flagstaff area, that it typically costs \$347 (exclusive of applicable sales tax) to cut a vertical curb to install a driveway apron. This is calculated

based on a flat rate of \$35 to dig behind the vertical curb to create space for the cutting equipment, and \$12/foot to cut the concrete – typically 26 feet of cut is required. In staff's opinion this is a negligible cost to a new home builder or home owner. In addition, staff has determined that it typically costs between \$6 - 8 per sq. ft. to rip out and replace concrete for a driveway. Thus for a standard 20-foot wide driveway the concrete would cost about \$2,000 from the property line to the curb.

The City Engineer also responded to the concern regarding the need to replace sidewalks damaged as a result of home construction activity. While this undoubtedly adds cost to the developer and the home builder, if good project management and supervision of the home construction were practiced, the abuse of the existing sidewalks would not be an issue.

Staff recommends that City policy regarding the installation of curbs and driveways in new subdivisions should be revisited to give the developer the option of either (1) installing the curb cuts and driveways at the time the streets and sidewalks are constructed in the subdivision, or (2) cutting the vertical curb and installing the driveway and curb cuts at the time home is constructed. In either approach, the City's Public Works inspectors will only accept the sidewalks, curbs and streets after any broken infrastructure has been repaired or replaced. The City Engineer will draft a policy memorandum clarifying the options available to developers of new subdivisions.

<p>Task Force Recommendation #2 – Improve existing infrastructure to allow infill projects so that the developer does not have to pay for infrastructure improvements.</p> <p>Task Force Recommendation #3 – Expand existing infrastructure to allow new development without the developer being obligated to install new required infrastructure.</p>
<p>Staff Recommendation: Staff suggests that these are policy decisions that should be addressed by the City Council.</p>

Current Status:

This is still an important policy issue for the City Council, and as the City's financial circumstances are still tight, it is unlikely that significant investments in new infrastructure to promote infill development will occur in the short term.

Commentary:

Staff has assumed that the intent of these two recommendations is to (1) either improve or expand the City's infrastructure (such as streets, utilities, etc.) in advance of new development so that the developer of new residences would not be obligated to these costs, and therefore, that presumably the cost savings would be passed onto the new homeowner; and, (2) for the City to proactively encourage growth and

development in certain sectors of the City by installing infrastructure as an incentive to developers in these areas.

Staff has discussed these ideas with the City's Utilities staff, and while they concur that in the long term it makes sense to be proactive with utility installation to promote growth in predetermined areas of the City, current policy is to "reactively" upgrade and install utilities based on the City's adopted Capital Improvement Program. Under this program, utility installation is funded based on projected annual revenues, typically about \$1 million per year. This financial limitation would not permit the City to expand its utility infrastructure to predetermined growth areas unless alternate funding mechanisms such as Improvement Districts were developed and utilized.

Staff is supportive of both of the recommendations provided by the Task Force, but notes that because of the financial burden to the City of installing utilities in advance of growth and development as well as in infill areas, this is a policy decision that needs further review and discussion with the City Council. It should also be considered and discussed as part of long range planning options by the City and future amendments to the Regional Plan. Another issue that needs to be addressed is to assure that the cost savings are passed onto the homeowner as part of the goal of encouraging housing affordability, and not added into the developer's profit.

Task Force Recommendation #4 – Develop a substantial conformance process so that minor changes to a project previously approved by the Planning and Zoning Commission and City Council may be approved by the Development Services Director rather than having to go back to the Planning and Zoning Commission and City Council for review and re-approval.
Staff Recommendation: Staff supports this Task Force recommendation, and amendments to the Land Development Code are proposed.

Current Status:

This recommendation was adopted into the former LDC and today it is included in the Flagstaff Zoning Code as an expanded Section 10-20.40.090 (Minor Modifications to Development Standards).

Commentary:

The amendments proposed in Section 10-10-003-0005 enable the Development Services Director to approve minor amendments to a project subject to more refined criteria than were previously established in this section.

Task Force Recommendation #5. – Revise the development standards in multi-family zones (RM-M-E, RM-L-E, RM-M-O-E and MR).

Staff Recommendation: Staff does not support these Task Force recommendations as they are infeasible.

Current Status:

Since the original Community Housing Policy Task Force recommendations were reviewed, the new Flagstaff Zoning Code has been adopted. This code eliminated the former “Established” or E-Zones and consolidated the former zoning districts. Throughout this process, standards for setbacks, building height, lot coverage, density, etc. were carefully reviewed to ensure that more restrictive standards than the original standards were not created in each Zone. Also, with the addition of the Planned Residential Development standard (Division 10-40.60.270) (and as it is proposed for amendment in the 2015/2016 amendments), considerable flexibility to allow for more options for housing development has been achieved. Similarly, flexibility in the application of development standards is possible through application of Section 10-20.40.090 (Minor Modifications to Development Standards) and with the new standards that allow for encroachments (Division 10-50.40 (Encoachments)).

Commentary:

The Task Force recommended that the development standards in the multi-family residential zones listed above should be amended as follows:

- a. Minimum Lot Size: 4,000 sq. ft.
- b. Minimum Lot Dimensions:
 - Width: 40 feet
 - Depth: 80 feet
- c. Density: For lots over 6,000 sq. ft. allow one unit per every 2,000 sq. ft.
- d. Lot Coverage: 50%
- e. Setbacks:
 - Front Yard: 10 feet
 - Side Yard: 3 feet
 - Rear Yard: 6 feet
- f. Building Height: 50 feet

Staff has carefully analyzed the recommendations of the Task Force and compared them to the existing development standards for the RM-M-E, RM-L-E, RM-M-O-E and MR multi-family zoning districts. These are the medium and high density multi-family residential zones within the City.

A discussion and analysis of each of the recommendations is provided below. This discussion is only based on simple illustrations used by staff to evaluate this recommendation, and no “real world” projects have been studied or designed.

Min. lot size – 4,000 sq. ft.

- A minimum lot size of 4,000 sq. ft. appears to work with a maximum lot coverage of 50%. No more than 2 units (approx. 900 sq. ft. each) can be established on a lot this size.
- A review of the minimum proposed open yard area for each site (see recommendation #7 below) may work, except for parking as discussed below.
- Without applying the open yard area, parking for 4 vehicles may be established between the building and the setback line.
- But if the open yard area is applied, there is no room for parking on the site. Parking would have to be accommodated under the building and the units constructed above it, or off-site such as in the street which is clearly unacceptable.
- In the alternative, the open yard area would have to be eliminated to provide room for parking.

Min. lot dimensions – 40 and 80 feet:

- No more than 2 units are possible based on the minimum site area of 4,000 sq. ft.
- These dimensions may work, but the minimum width of 40 feet makes for a long skinny lot that could be hard to develop, especially with regard to providing parking.
- A review of the minimum proposed open yard area for each site (see recommendation #7 below) may work, except for parking as discussed below.
- Parking would have to be provided underneath the structure.
- In the alternative the open yard area would have to be eliminated to provide room for parking on the site.

Max. lot coverage – 50%:

- No more than 2 units are possible based on the minimum site area of 4,000 sq. ft.
- This standard may work, but it results in very compact site development with limited open space area.
- A review of the minimum proposed open yard area for each site (see recommendation #7 below) may work, except for parking as discussed below.
- As noted previously, parking is the problem, and either has to be provided under the building or in the front yard area, or a combination of both.

Setbacks – 10-foot front yard:

- No more than 2 units are possible based on the minimum site area of 4,000 sq. ft.
- This standard may work.
- However, if the building is designed even closer to the street with parking provided behind with access via an alley, then maybe the front setback can be reduced even further? (See the discussion on this subject below on Page 12).

Setbacks – 3-foot side yard (assume interior):

- Windows and other openings are permitted in a wall located no less than 3 feet from a property line. This is a critical dimension because if the wall is built any closer to the property line than this, it will be rejected by the Building Official. It has been suggested that to allow for error, the setback should be established at a greater distance. In October 2007 amendments to the International Building Code are proposed establishing this setback at 5-feet.
- Overhangs may only project 1/3 of the distance between a building and a property line. Thus only a 1-foot overhang would be permitted with a 3-foot side yard. As overhangs are typically larger than this (2 – 3 feet) consistent with Flagstaff's architectural vernacular, custom trusses will have to be designed and constructed, which will add cost.
- In the alternative, structures with no overhangs and flat or low pitch shed roofs may be proposed. While this may be appropriate in other regions in Arizona, flat roofs are not typically considered a desirable architectural form in residential areas in Flagstaff.

Setbacks – 3-foot side yard (exterior):

- The Task Force did not provide a recommendation for exterior side yards. It is unclear if they intended to maintain the existing exterior side yard requirement for each zone, or if they intended to also reduce the exterior side yard to 3 feet.
- As noted above in the discussion on front yards, if the building is designed closer to the street with parking provided behind it with access via an alley, then maybe the exterior side setback can be reduced to as little as 3 feet? (See the discussion on this subject below on Page 12).
- An option would be to establish a combined yard requirement (for example as applied in the RM-M-O-E zone), where the combined side setback is no less than 10 feet with any one side being no less than 3 feet.

Setbacks – 6-foot rear yard:

- Reducing the rear yard to 6 feet is consistent with the open yard area provisions described in recommendation #7 below.

Setbacks – general comments:

- In numerous situations within the City, multi-family residential zones are located contiguous with existing or proposed single-family residential zones. Staff is concerned with the privacy, massing and aesthetic implications of allowing tall multi-family buildings (the task force recommends that the permitted building height would be increased to 50 feet – potentially four to five stories) immediately adjacent to single-family homes, and with reduced side and rear setbacks.

Building height – 50 feet:

- The rationale for proposing a new maximum height limit of 50 feet is unclear and not explained.
- On small lots that meet or just barely exceed minimum requirements, this height could never be achieved, nor in staff's opinion should it.
- It is assumed that the proposed 50-foot limit is based on the current definition of building height.
- As noted above, staff is concerned with increasing building height and reducing setbacks, not just because of concerns with adjoining single-family residential property, but also between contiguous multi-family buildings for aesthetic, privacy and massing reasons.

Density:

- The Task Force recommendation on density of 1 unit per 2,000 sq. ft. of lot area is only for lots over 6,000 sq. ft. in area. It is unclear what density standard was anticipated for lots of 6,000 sq. ft. or less in area.
- Staff recommends that the MR zone should not be amended by the Task Force development standard recommendations, because it (like the HR and UR zones) allows a higher density anyway than established zoning districts through the Planned Development Option, and density is controlled by careful site analysis and the protection of existing resources on a site.
- As discussed previously, the number of units permitted on a lot is constrained by the minimum lot size, width and depth requirements, lot coverage and especially parking. The proposal to reduce the permitted density to 1 unit per 2,000 sq. ft. of lot area does not work as the site is unable to accommodate required parking in a cost effective and aesthetically supportive manner.

Conclusion:

It is staff's opinion that the Task Force recommendations for development standards should not be implemented and that the Land Development Code should not be amended to accommodate them. The reasons for not supporting these recommendations are stated in the detailed discussion above, and for clarity are summarized below.

1. By decreasing minimum lot width, depth, and area requirements and setbacks, and increasing allowable lot coverage, the opportunities for parking are severely limited. Available space on a small property is consumed by buildings and the proposed open yard area requirement (See recommendation #7 on Page 32), and parking can only therefore be provided either under a building (which increases building height and cost) or in the front setback area (which has aesthetic and safety concerns). Staff supports the open yard area concept, but is not supportive of allowing covered or uncovered parking in the front yard area for aesthetic reasons.
2. The minimum width recommendation of 40 feet as applied to a minimum size lot of 4,000 sq. ft. results in a long and narrow lot that is hard to develop, especially with

regard to parking, unless an alley or similar thoroughfare provides access to the rear of a lot. Staff recommends that this recommendation be explored further in the future with the Traditional Neighborhood Ordinance and as part of a Form-based Code developed for specific neighborhoods or character districts within the City.

3. Reducing the front yard setback to 10 feet may be an acceptable recommendation, but staff suggests that to do so should be considered as part of a more comprehensive urban design and Form-based Code review of the Land Development Code. For example, it may be appropriate to allow a multi-family building to be constructed even closer to the property line than 10 feet, provided that numerous other issues are addressed at the same time, including for example, parking provided at the rear of the lot, consideration of the design of the street, building design to ensure privacy, etc. Staff recommends that this recommendation be explored further in the future with the Traditional Neighborhood Ordinance and as part of a Form-based Code developed for specific neighborhoods or character districts within the City.
4. As detailed above, the proposed 3-foot interior side setback allows no room for error in the construction of the wall as an absolute minimum of 36 inches is required between a property line and a structure with openings to comply with applicable Building Code provisions. Also, roof overhangs into this space are limited by Building Code requirements which may result in increased costs for design and construction of trusses, or the construction of flat or low shed roofs which could raise other design and aesthetic issues.
5. Staff is not supportive of the 50-foot building height recommendation. Staff is concerned with the privacy, massing and aesthetic implications of allowing tall multi-family buildings immediately adjacent to single-family homes and with reduced side and rear setbacks. Multi-family buildings placed close to each could also create similar aesthetic, privacy and massing concerns, unless their form and placement is carefully conceived and designed with the framework of a traditional neighborhood Development and a Form-based Code.
6. The density provisions of the MR, UR and HR zones allows a higher density than established zoning districts through the Planned Development Option, and density is controlled by careful site analysis and the protection of existing resources on a site. Also, in the established zoning districts, the number of units permitted on a lot is constrained by the minimum lot size, width and depth requirements, lot coverage, and especially parking standards. In staff's opinion the proposal to reduce the permitted density to 1 unit per 2,000 sq. ft. of lot area does not work as the site is unable to accommodate required parking in a cost effective and aesthetically supportive manner.

Other considerations:

In researching the Land Development Code to evaluate the application of this recommendation from the Task Force, staff identified a number of sections of the Code that require further study and possible amendment. As these possible amendments are beyond the scope of the recommendations proposed in this report, staff will address these at a future date. These include the following:

- Only the RM-M-O-E zone limits the number of stories (two) of a building. All other zones provide a specific height limit. There appears to be no specific reason for this.
- Only the RM-M-O-E zone establishes a combined side yard setback. This is a good idea that could be applied universally in the Code.
- Only the RM-L-E zone measures lot width at the setback line. This is also a good idea that could be applied universally in the Code.
- Only the RM-M-E zone bases height on lot coverage and FAR, and requires a CUP for structures over 60 feet in height. There appears to be no specific reason for this.

Task Force Recommendation #6 – Allow any type of residential development as a permitted use in as many zones as possible, and exclude zones that would allow industrial and heavy automotive uses next to housing.

Staff Recommendation: Staff supports these Task Force recommendations. The original recommendations have been expanded and numerous amendments to the Land Development Code are proposed.

Current Status:

Since the original Community Housing Policy Task Force recommendations were reviewed, the new Flagstaff Zoning Code has been adopted. It includes numerous opportunities for allowing residential uses in the commercial zones – See Division 10-40.30 (Non-Transect Zones). The 2015/2016 amendments to the Zoning Code (scheduled for Council consideration on February 2, 2016) further expand options for allowing residential uses in the Community Commercial (CC) Zone where as proposed, single-family residences and duplexes will be permitted by right.

Commentary:

Mixed uses are promoted in the Flagstaff Area Regional Land Use and Transportation Plan (Policy HN2.1 – Promote development of Mixed-Use Neighborhoods in both new and existing neighborhoods within the City). The amendments proposed to the Land Development Code are consistent with this mixed use policy and its associated implementation strategies as stipulated in the Regional Plan.



The concept of allowing residential uses in commercial zones is consistent with the principles of mixed use. Mixed use developments permit and facilitate the integrated development of more than one land use on a site, including for example, residential, retail, office, lodging and entertainment uses. Staff has completed a detailed analysis of all commercial and industrial zones established in the Land Development Code to determine how residential uses are provided within them. A comparison of existing Land Development Code provisions regarding residential uses in commercial and industrial zones relative to suggested Land Development Code amendments is provided in Attachment A. Proposed amendments to the Land Development Code for each zone to encourage the provision of residential uses in commercial and some industrial zones are provided below.

The Intent and Purpose section of each commercial also requires amendment to include the greater opportunity of mixing residential uses within them. Therefore, amendments are proposed to the description of the “new” commercial zones in Section 10-02-004-0004 (Commercial Districts), Section 10-02-004-0005 (Industrial and Facility Districts), and within each of the “existing” commercial zones in Division 10-02-005 (Established Development Districts).

Task Force Recommendation #7. – Allow alternative yards for single-family residential lots and duplexes in all zoning districts utilizing an open yard concept.
Staff Recommendation: Staff supports these Task Force recommendations for multi-family residential districts only and amendments to the Land Development Code are proposed.

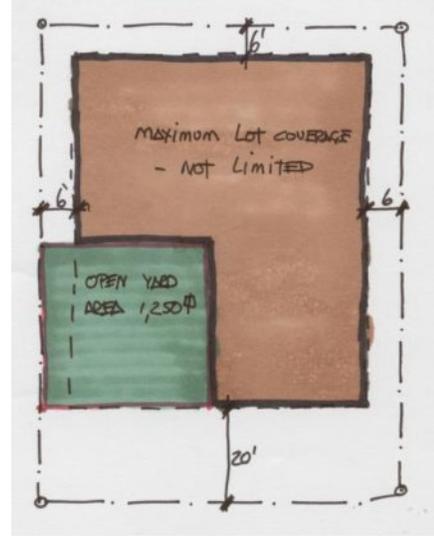
Current Status:

This recommendation is included in the Flagstaff Zoning Code – See Section 10-40.30.030.H (Open Yard Requirements – MR and HR Zones).

Commentary:

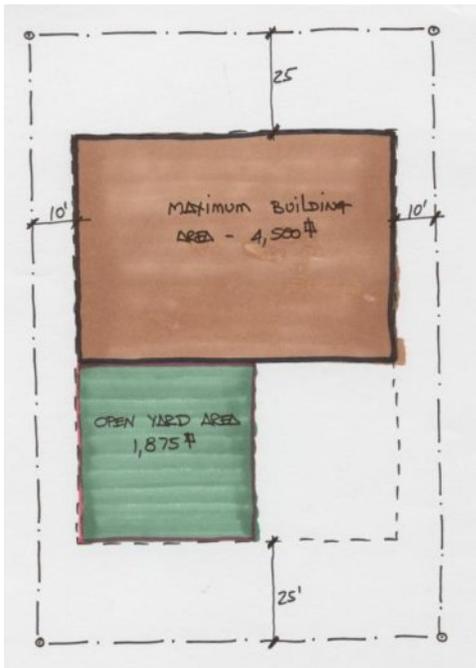
The open yard concept is successfully used in Santa Barbara, California in single-family and multi-family residential zones as a way of providing more useful open space on a lot, rather than that typically established in setback areas. Under the open yard area concept, the rear yard is reduced to the same width as a typical side yard, and a minimum area has to be established somewhere on the lot outside of the front yard that has a depth greater than the typically required setback. This allows an architect or designer greater flexibility in the design of a residence so that natural resources (e.g. trees) have a greater opportunity of being preserved, and it results in a much more interesting streetscape.

After careful study and review, staff has determined that the open yard area concept should not be applied to single-family residential zoning districts within the City of Flagstaff. The Land Development Code includes lot coverage limitations in all single-family residential zones. As these lot coverage limitations are low relative to the size of the lot as well as the setbacks required in each zone, an architect or designer has considerable flexibility to design the structure around existing natural resources on the site. In contrast, Santa Barbara does not provide a lot coverage limitation on single-family residential lots, except for the required open yard area. Staff does not recommend that these lot coverage standards should be changed.

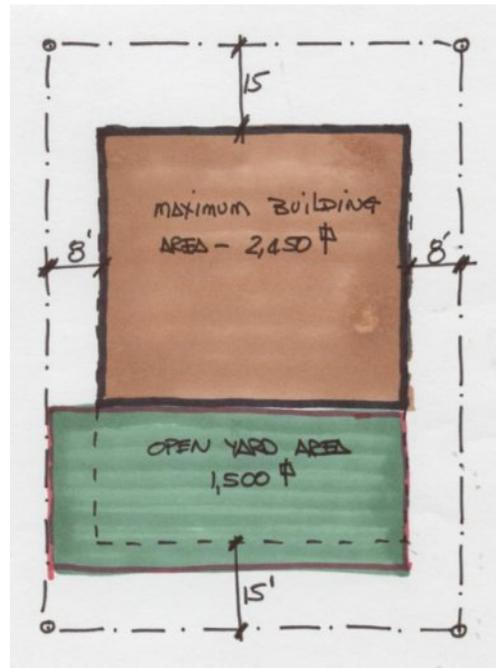


Santa Barbara E-3 zone
 Min. lot area 7,500 sq. ft.
 No maximum lot coverage
 Open yard area – 1,250 sq. ft.

Staff also evaluated this concept to determine if it had value to enhance the preservation of natural resources such as trees on single-family residential lots. Staff has concluded that the extra possible opportunity of saving trees by reducing setback areas and creating open yard areas in their stead, is compromised by the real possibility of having one- or two-story homes located 6 feet from a rear or side property line as this creates additional concerns from a privacy and aesthetic perspective.



City of Flagstaff R-S-E zone
 Min. lot area 15,000 sq. ft.
 Max lot coverage 30% or 4,500 sq. ft.
 Open yard area – 1,875 sq. ft.



City of Flagstaff R-1-E zone
 Min. lot area 7,000 sq. ft.
 Max lot coverage 35% or 2,450 sq. ft.
 Open yard area – 1,500 sq. ft.

However, staff has determined that the open yard area concept can be successfully applied in the established multi-family residential zones (RM-L-E, RM-M-E and RM-M-O-E) as a way of providing more useful open space areas on a lot. Note that the open yard area concept is suggested as an option for property owners and developers, and it is not required. The proposed minimum open yard area of 350 sq. ft. is modeled on the value used by the City of Santa Barbara (360 sq. ft.) for multi-family residential developments. The development standards in the UR, MR and HR multi-family residential zones appear to adequately address the need for minimum useful open space, such as the patio house, Z-lot house, etc.

Insert a new definition for Open Yard Area in Chapter 14 Definitions, Section 10-14-004-0001. This is provided on Page 69.

Task Force Recommendation #8. – Permit detached garages to encroach 100% into required side and rear yards in single-family and duplex residential developments.

Task Force Recommendation #9. – Permit granny flats built over detached garages to encroach within three feet of side and rear property lines in single-family and duplex residential developments.

Task Force Recommendation #10. – Allow non-owner occupied granny flats, and allow detached granny flat units on lots smaller than one acre.

Staff Recommendation: Staff supports these Task Force recommendations. The original recommendations have been expanded and numerous amendments to the Land Development Code are proposed.

Current Status:

This recommendation is included in the Flagstaff Zoning Code – See Section 10-40.60.030.H (Accessory Dwelling Units (ADUs)). Further, allowed encroachments were expanded in the new Zoning Code – see Division 10-50.40 (Encroachments).

The suggestion to develop an ADU Manual was not completed because of limited staff resources. It has subsequently been determined that such a manual was not needed.

Commentary:

Task Force recommendations #8 through 10 are closely related in their implications to possible recommendations for amendments to the Land Development Code. For this reason they have been considered together, and suggested amendments to the Land Development Code provided below are based on all or part of these recommendations. Note that rather than use the term “granny flats”, the more appropriate term “Accessory Dwelling Unit” or ADU will be used in the Code.

Benefits of ADUs:

ADUs can provide a surprising number of benefits to communities, homeowners and renters. Although much of the attention given to ADUs revolves around their potential for increasing the supply of affordable housing opportunities, ADUs may also help to address other social issues, particularly those relating to housing options for the growing elderly population.

Community benefits include:

- ADUs offer a cost-effective means of increasing the supply of affordable housing without government subsidies and without changing the character of a neighborhood
- ADUs encourage efficient use of existing housing stock and infrastructure
- ADUs encourage better housing maintenance and neighborhood stability
- ADUs can help to meet growth management goals by creating more housing opportunities.

Homeowner benefits include:

- ADUs make it possible for adult children to provide care and support to a parent in a semi-independent living arrangement
- ADUs can provide extra income to homeowners to offset property taxes and increasing maintenance and repair costs
- ADUs provide homeowners with the ability to trade rent reductions for needed services
- ADUs provide increased security and companionship
- ADUs can help first-time buyers qualify for loans and off-set mortgage payments.

Tenant benefits include:

- Moderately-priced rental housing
- ADUs provide affordable rental housing in single-family neighborhoods
- ADUs increase housing opportunities for handicapped people.

The purpose of allowing ADUs is to:

- Provide homeowners with a means of obtaining, through tenants in the ADU or the principal unit, rental income, companionship, security, and services.
- Add affordable units to the existing housing.
- Make housing units available to moderate-income people who might otherwise have difficulty finding homes within the (city/county).
- Develop housing units in single-family neighborhoods that are appropriate for people at a variety of stages in the life cycle.
- Protect neighborhood stability, property values, and the single-family residential appearance of the neighborhood by ensuring that ADUs are installed under the proposed provisions of the Land Development Code.

ADUs are encouraged in the Flagstaff Area Regional Land Use and Transportation Plan (Policy HN2.3 – Encourage Accessory Dwelling Units). This policy recognizes ADUs as a “viable form of additional, and possibly more affordable, housing”. The amendments proposed to the Land Development Code are consistent with the ADU policy and its associated implementation strategy as stipulated in the Regional Plan.

Staff is supportive of allowing detached garages to be constructed on rear and interior side property lines in single-family residential and duplex developments provided that the height of the structure is limited to 12 feet. Further comments and observations on this issue are provided in the narrative below:

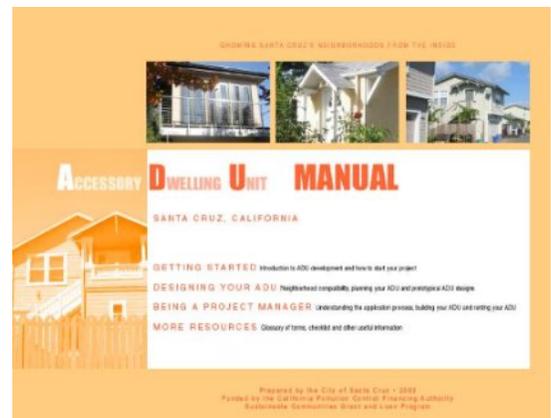
- If a building is constructed on a property line, no windows or other openings are permitted based on applicable building and fire codes.
- According to the City’s current Building Code standards, windows and other openings are permitted if the building is setback a minimum of three feet from the property line. This 3-foot minimum separation is strictly enforced. In the fall of 2007, this standard is proposed to change to 5-feet.
- No overhangs, such as rafter tails, are permitted from a building or structure over a property line. Detached garages will therefore typically have a flat or low-pitch shed roof, or ideally, will be designed with the gable end perpendicular to the property line.
- Privacy issues. The Land Development Code allows a detached structure to be up to 24 feet in height. It is staff’s opinion that permitting such a structure on a property line will be offensive to most adjoining property owners, because the wall of the structure would most likely be blank and without architectural relief or windows. Also, adjoining properties would lose the privacy of their back yards with a structure this height built on the property line. Even if the proposed detached structure on the property line was a single story (up to 15 feet in height), staff anticipates opposition from most adjoining property owners.

However, some limited encroachment of detached garages is promoted by suggested amendments to the Land Development Code. Also, the Task Force’s recommendations #9 and #10 have been included into proposed amendments to the Land Development Code. A brief summary of suggested Land Development Code amendments is provided below:

- Specific standards are proposed for the placement of accessory structures and Accessory Dwelling Units or ADUs (note that the term ADU rather than “granny flat” is proposed throughout the Code). Standards for possible encroachments into otherwise required yard or setback areas are based on the use of the structure (i.e. whether it is livable or non-livable), its height, lot area, and

whether the lot was established prior to the effective date of these Code amendments, or after the effective date.

- Detailed standards are also established for ADUs that stipulate requirements for minimum and maximum floor area, occupancy, architectural compatibility and design, parking, utility service and home occupations. These standards are critical to allay possible neighborhood and adjoining property owner's concerns with privacy and architectural character and compatibility, to the primary residence on the property as well as within the neighborhood.
- Extensive amendments are proposed to Division 10-02-005 (Established Development Districts) to simplify these districts. In the "new" zoning districts (e.g. the R-1 district as described in Chapter 10-03 Use Regulations), accessory uses are cross referenced back to Division 10-03-005 (Accessory Uses and Structures). However, in the "established" zoning districts, a different approach is taken and standards are provided in each district for accessory uses and allowable encroachments into required yards. To simplify the code and make it easier to read, a consistent formatting approach has been adopted, and all zones now include a cross-reference to Division 10-03-005.
- For consistency throughout the Land Development Code, amendments are also proposed in the following sections:
 - Division 10-03-006 (Detailed Use Regulations) to modify permitted encroachments into minimum required yards,
 - Division 10-07-002 (Off-Street Parking Standards) as a reference to parking for ADUs, and
 - Division 10-09-006 (Development Review Board) to clarify the Board's duties with respect to ADUs.
- Staff suggests that the City should create an ADU Manual to be used by property owners considering the development of an ADU. A good example is produced by the City of Santa Cruz in California. The cover of this manual is copied below for your information. This manual provides an invaluable guide to a home owner wanting to develop an ADU as it introduces the benefits of ADUs, discusses neighborhood compatibility issues, includes a guide to the application and permit review process, provides guidance on construction and renting the ADU, and finally includes a list of useful resources, including the city's ADU ordinance.



Task Force Recommendation #11. – Allow overlapping resource protection areas so that if possible, floodplains, steep slopes, and trees could occupy the same space and be counted as preservation under each category.

Staff Recommendation: Staff supports this recommendation with modifications, and amendments to the Land Development Code are proposed. This issue will also be addressed in the Housing Set-aside policy.

Current Status:

This recommendation is included in the Flagstaff Zoning Code – See Division 10-50.90 (Resource Protection Standards). Further amendments to clarify these standards are also included in the proposed 2015/2016 amendments to the Zoning Code approved by Council on February 2, 2016.

Commentary:

Staff has carefully reviewed the Land Development Code with regard to this recommendation.

Section 10-04-003-0006B1 already addresses this issue because it allows trees and floodplains to be counted as preserved resources under each category. It provides that tree canopy area that overlaps into floodplains can be counted as forest resource preservation area if the floodplain remains undisturbed and undeveloped.

It is unlikely that steep slope resources and floodplain resources will be located in the same area, so this possibility need not be addressed in the Land Development Code. However, the issue of overlapping forest resources and steep slope resources merits further review and consideration.

Section 10-04-003-0007 (Slope and Forest Mitigation) partially addresses this issue. Under Paragraph A. of this section, if a site in a residential district includes steep slope and forest resources, 80% of the area with steep slopes is required to be protected and 50% of the dripline area with forest resources must be protected. The remaining 20% of the steep slope area and 50% of the forest resource dripline area can be disturbed. See illustration A below.

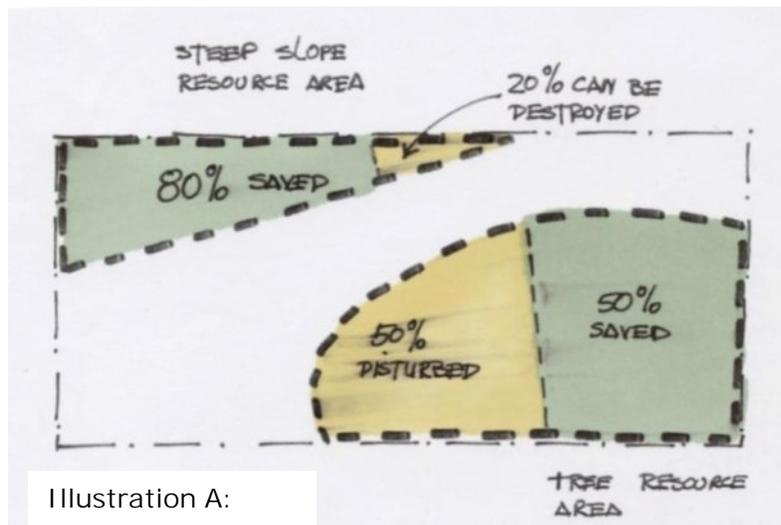
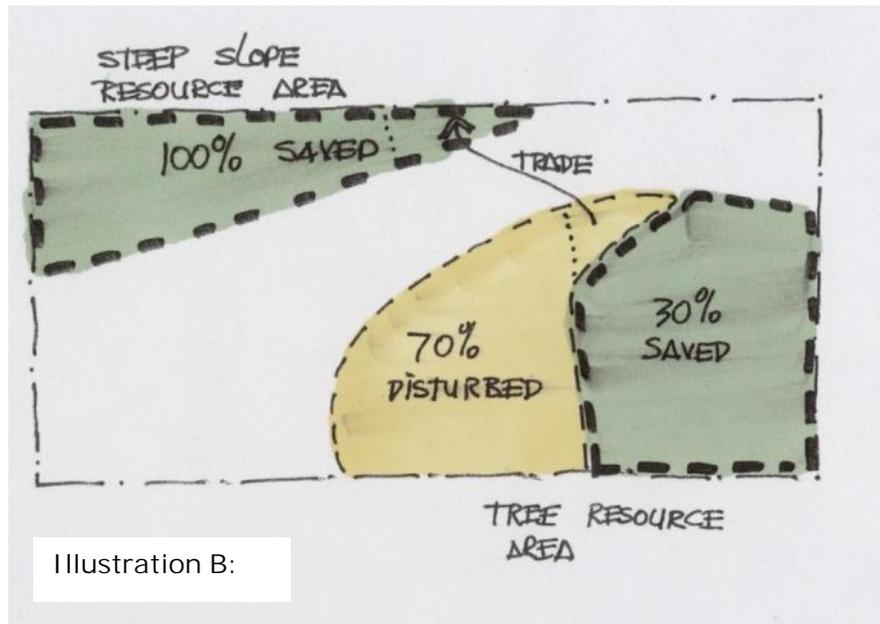


Illustration A:

However, the Land Development Code also allows up to 20% of the protected forest resource area to be disturbed provided that this area is traded and added to the 20% steep slope area, and this is protected and not disturbed. In other words, 100% of the steep slope area will be protected and only 30% of the forest resource area will be protected. See illustration B below.



But the Land Development Code does not permit the forest resources that overlap the steep slope resources to be counted as preservation under each category, and they are required to be met independently. This has been addressed by creating a new Section 10-04-003-0007E that applies to affordable housing projects only (i.e. all other projects are required to calculate resources independently) and amending Section 10-04-004-0004C as noted below. This issue will also be addressed with the revisions to the Housing Set-aside policy.

Staff recommends that the sections of the Land Development Code dealing with natural resource protection standards and site capacity calculations should be rewritten to make them easier to understand. This task should be implemented as part of a long-term Land Development Code amendment.

Task Force Recommendation #12. – Allow resources impacted by installation of utilities outside of roadways and detention areas to not be counted as “disturbed resources” subject to Resource Protection Measures.
Staff Recommendation: Staff does not support this Task Force recommendation, and suggests that the Land Development Code should not be amended.

Current Status:

As part of the 2015/2016 amendments to the Zoning Code approved by Council on February 2, 2016, an amendment in Section 10-50.90.020 (Applicability) allows resources not to be protected and included in the resource calculations for existing or proposed public right-of-way for major or minor arterial roads or the right-of-way for major (i.e. regional) utility facilities.

Commentary:

The intent of this recommendation is to allow the disturbance of existing resources (presumably trees) by the installation of new utilities outside of areas that would be otherwise destroyed, such as roadways, driveways, detention areas, etc. without being penalized by having those areas not counted as disturbed resources. Typically utilities are likely to be installed outside of other disturbed areas to loop distribution systems, such as water or natural gas, or to install gravity sewer systems. This occurs most frequently when cul-de-sac layouts are proposed and approved because it is harder to loop utility services in a these projects. A grid or modified grid street layout enables utility services to be looped and connected much easier.

Both the Regional Plan and Land Development Code emphasize the importance of protecting natural resources, especially trees. Through careful subdivision and development design using well established techniques of grid or modified grid street layouts, the goal of providing looped or connected utility service can be met while at the same time maximizing the preservation of native tree resources. It is staff's opinion that the placement of utilities in driveways, roadways, detention areas and other disturbed areas on a site should be promoted and encouraged, and that if utilities are placed outside of these areas, they should be mitigated and counted as disturbed resources.

Staff is therefore, not supportive of this recommendation from the Task Force and further suggests that no amendments to the Land Development Code are necessary.

Task Force Recommendation #13. – Increase the stormwater threshold from 5,000 sq. ft. to 21,780 sq. ft. so that projects with new run-off less than this amount would drain to a public way without the need for on-site detention facilities.
Staff Recommendation: Staff does not support this Task Force recommendation, and suggests that neither the Land Development Code nor the Stormwater Ordinance should be amended.

Current Status:

The City's LID Manual and Standards were adopted by the Council on February 17, 2009.

Commentary:

This recommendation was discussed with City Stormwater Division staff, and in a document dated September 5, 2006, the staff recommended that the current threshold criteria of 5,000 sq. ft. be maintained. The purpose of the current detention requirements is to protect downstream property owners from the effects of flooding due to increased runoff from upstream properties as the result of increased impervious surfaces. The majority of the City's stormwater problems have been created by, or exaggerated by, increased impervious surfaces. An increase in the threshold may create serious downstream health and safety issues.

However, Stormwater Division staff also noted that there are future opportunities, associated with the City-wide Stormwater Master Plan that may afford some relief to the current detention standards. As watershed specific stormwater plans are developed, it may be possible to waive detention in certain watershed locations in favor of sub-regional or regional detention facilities, and the half-acre threshold recommended by the Task Force may be feasible. Additionally, low impact development (LID) stormwater concepts (such as bio-retention, rainwater harvesting and other facilities that reduce stormwater runoff and improve the quality of the stormwater) may offer options to standard detention that could aid in overall developable property. Stormwater Division staff is working on an LID ordinance that will be presented to the City Council in about 6 months. Also, staff recommends the consideration and use of porous pavements, pervious pavers and other materials that allow the natural percolation of stormwater as a way to reduce runoff.

Staff therefore, recommends that the current standard of 5,000 sq. ft. remain in affect. However, additional opportunities for reducing detention requirements will be explored as part of a future LID ordinance and the Stormwater Master Plan which is anticipated to be completed within the next few years.

Task Force Recommendation #14. – Develop new parking standards for multi-family residential projects.
Staff Recommendation: Staff supports this Task Force recommendation, and amendments to the Land Development Code are proposed.

Current Status:

This recommendation is included in the Flagstaff Zoning Code – See Section 10-50.80.030 (General Parking Standards). Further amendments to update the standards in the Zoning Code were approved by Council on February 2, 2016.

Commentary:

The Task Force recommended specific new parking requirements for multi-family residential projects as follows:

Studio/efficiency unit 1.25 parking spaces
 1-bedroom unit 1.5 parking spaces
 2+ bedroom units 2 parking spaces
 If 6 or more units are provided, 0.25 parking spaces per unit is required for guest parking

A summary of the existing parking requirements for multi-family residential projects established in the Land Development Code and compared with a number of other Arizona communities is provided in the table below.

	Flagstaff - Proposed by Task Force	Flagstaff - Existing	Flagstaff - Existing Affordable	Sedona	Santa Barbara	Scottsdale	Phoenix	Tempe
Efficiency/Studio	1.25	1.5	1	1.25	1.25	1.25	1.3	1
1 bedroom	1.5	1.5	1	2 for first five, then 1.5	1.5	1.3	1.5	1.5
2 bedroom	2	2	1.5	2.5 for first 5, then 2	2	1.7	1.5	2
3 bedroom	2	2	1.5	2.5 for first 5, then 2	2	1.9	2	2.5
4+ bedroom	2	3	2	2.5 for first 5, then 2	2	1.9	2	3

The Task Force's proposed amendments are very similar to the standard parking requirements for multi-family residential zones (only the proposed parking requirements for studios and 4+ bedroom units are lower than the existing code).

Staff recommends that only the Task Force's recommendations for studios or 4+ bedroom units should be adopted, and that the other existing parking provisions of the Land Development Code as they apply to multi-family residential projects and multi-family residential affordable projects should remain, except that additional parking for guests in multi-family residential affordable projects should be provided.

Task Force Recommendation #15. – Allow the use of driveways in multi-family projects to serve up to ten detached units and up to 20 units within multi-family buildings. Also, allow the use of private driveways in single-family zones to serve up to six units. Driveways would still be subject to Fire Department and Waste Management requirements.

Task Force Recommendation #16. – Allow the use of reduced or alternate driveway widths based on the following recommendations:

- Driveways serving less than 25 parking spaces – driveway access shall be not less than ten feet in width.
- Driveways serving 25 or more parking spaces – a two-way driveway shall be required with a minimum paving surface width of at least 18 feet.
- Two one-way driveways may be substituted for one two-way driveway.

For Fire Department access and work area, a driveway of 16 feet in width shall be provided to a point within 150 feet of the furthest point (as the hose lies) of any non-sprinklered building or within 250 feet of the furthest point (as the hose lies) of any sprinklered building.

Staff Recommendation: No amendments to the Land Development Code are proposed at this time, but this issue should also be addressed in the Housing Set-Aside Policy.

Current Status:

Based on the analysis below and additional discussion during the development of the Incentive Policy, no amendments were undertaken.

Commentary:

Task Force recommendations #15 and 16 are closely related in their implications to possible recommendations for reduced or alternate driveway or street width standards. For this reason they were considered together in staff discussions on this issue.

These recommendations were first discussed with City Fire Department staff and the City Engineer on September 8, 2006. A second meeting on December 5, 2006 involving key staff from the Fire Department, Community Investment Division, Development Services Division and Traffic Section provided additional insight on this issue. A summary of the comments and discussion on this recommendation is provided below.

The Land Development Code and typical engineering and development practice currently allows for the use of driveways in lieu of streets as the normal way of providing vehicle access within an apartment or condominium project. Thus the "street" standard applies within a right-of-way serving the property, while a "driveway" standard applies within the property to create the vehicular access from the street to the parking area and buildings. The City Engineer commented that with respect to town home projects, if a private driveway is used in lieu of a "street", the width, pavement section, turnaround, sidewalks, etc. need to be essentially the same as a road to accommodate the residence and associated service vehicles and pedestrians. He further commented that the savings that may be realized in reduced construction cost would accrue to the developer and it would be hard to require these savings to be transferred to a future homeowner. In addition, the long term cost of maintenance, liability, and snow removal would be passed on to the buyers. In his opinion, the net affect would be a property that may actually be less affordable.

The Flagstaff Fire Department commented that the Uniform Fire Code does not make any distinctions between 'driveways', 'streets', 'aisle ways', 'parking lots' or any drivable surfaces, and that the Fire Code only concerns itself with "fire access". Whenever a driveway, street, parking lot, etc. provides the dedicated "fire access" to a building or property they become one and the same.

The Fire Department also commented that other Emergency Service providers in Flagstaff include the Police Department, ambulances, sanitation, and utility vehicles. All providers need adequate access to buildings and the Fire Department in particular uses fire access to set up and operate while maneuvering multiple vehicles in a concentrated area. The Fire Department further commented that the driveways need to be designed, constructed and maintained in accordance with adopted standards so that fire access can be provided at all times. However, the Fire Department has considerable latitude to amend their usual standards if fire sprinklers are proposed within the new development.

For example, when sprinkler systems are installed, shorter roads and different turnarounds may be allowed, but the specifics of each situation are reviewed to determine the feasibility in regard to the remainder of the project (proximity of buildings, attics not sprinklered, alternative snow storage, etc.).

Other concerns were discussed at length, including:

1. Relaxing otherwise applicable engineering standards may create issues with the application of design guidelines and standards in multi-family and single-family residential projects. As such, it is recommended that before the standards are relaxed, it is important to determine the possible impact of them on the application of the City's design guidelines. This however, is a project that is outside the scope of these Land Development Code amendments, but that should be addressed at a future time.
2. The suggested recommendations appear to promote conventional subdivision development. As staff has suggested in past presentations to the Planning and Zoning Commission and City Council, the City of Flagstaff has the opportunity of choosing a planning and development strategy that is based on Smart Growth principles and in certain areas of the city that have yet to be defined, possible Traditional Neighborhood Developments. These are concepts that are already supported in the Regional Plan. The concept of alternate or reduced driveway and roadway standards is good, but must be considered within a wider context, to ensure that adequate access and mobility is still maintained, by for example, the use of grid or modified grid street layouts that promote connectivity in lieu of typical cul-de-sac street layouts that are based on more of a hierarchical circulation model.

3. There was unanimous willingness to consider alternate design methods on specific bona fide affordable housing projects, but staff did not support reducing access standards across the board without assurances that cost savings will be passed on to those who need it. For this reason, staff recommended that a tie to the Housing Set-Aside Policy was needed.

Based on the comments summarized above, it is staff's opinion that no changes to the Land Development Code are supported by City staff at this time. However, the issue of alternate (i.e. reduced) driveway and street standards for true affordable housing projects may be addressed in the Housing Set-Aside Policy.

Task Force Recommendation #17. – Develop a new standard to allow for tandem parking.
Staff Recommendation: Staff supports this Task Force recommendation with modifications, and amendments to the Land Development Code are suggested.

Current Status:

This recommendation is included in the Flagstaff Zoning Code – See Section 10-50.80.080 (Parking Spaces, Parking Lot Design and Layout), Subsection K. (Tandem Parking).

Commentary:

The suggested Land Development Code amendments provided in Section 10-07-002-0002C4d. and e. below clarify and expand the use of hard pervious surfaces for driveways and cross reference the parking requirements of Accessory Dwelling Units, respectively. Also, the code is amended to permit tandem parking (i.e. parking of one vehicle behind another) for residential uses. A definition for tandem parking is provided in Division 10-14, Definitions on Page 69.

Summary and Conclusion:

The Community Housing Policy Task Force through its recommendations has contributed in a very meaningful way to provide an approach to addressing the issue of housing affordability in the City of Flagstaff by suggesting various Land Development Code amendments. Based on staff's careful review of each of the short- and medium-term recommendations, comprehensive amendments to the Land Development Code have been developed. Staff has also recommended that some of the recommendations should not be pursued as they have been found to be infeasible, such as concept of revising the development standards for the multi-family residential zones.

The Task Force also suggested seven long-term recommendations. A brief overview of each of these recommendations is provided below:

1. Variable Density Concept.

The concept of a variable ordinance for use on all projects and properties other than single family residential is proposed. By this method, the number of units allowed is determined by gross parcel size with any combination of units allowed (in fact encouraged) to fully utilize the lot area and meet market demand. The number of units is not dependent on the zone. To promote mixed-use, the same rules apply, except the commercial area allowed is in addition to the units derived by variable density.

Staff is conceptually supportive of this concept and after further research will provide recommendations on how it can be included into the Land Development Code as part of future amendments to the Code.

Current Status:

This recommendation has essentially been included in the Flagstaff Zoning Code through the use of the Planned Residential Development Section (10-40.60.270) and with the allowed mixed use concept in commercial zones where density is not specifically regulated. Instead, the size, scale and density of a project is determined if compliance with applicable parking, landscaping, height, FAR, etc. standards is achieved. This was further clarified in the 2015/2106 proposed amendments to the Zoning Code approved by Council on February 2, 2016.

2. Tree Preservation Methodology.
Rather than continue to use the current method of determining tree size based on its canopy, it is proposed that a simpler and less time consuming method of determining tree size based on the industry standard of diameter at breast height (DBH) should be used.

Staff is conceptually supportive of this concept and after further research will provide recommendations on how it can be included into the Land Development Code as part of future amendments to the Code.

Current Status:

This recommendation has been included in the Flagstaff Zoning Code in the extensively revised and updated Resource Protection Standards Division (10-50.90).

3. Tree Preservation Rate.
The Land Development Code currently requires that 50% of all trees on a property need to be preserved, regardless of their health, size or species and regardless of the size of the property. This method does not always provide for a healthy forest. It is suggested that the methodology should be revised so that the end goal is a healthy forest and such that sparsely treed properties might have 100% protection but heavily treed properties might have a lower percent of preservation.

Staff is conceptually supportive of this concept and after further research will provide recommendations on how it can be included into the Land Development Code as part of future amendments to the Code.

Current Status:

This recommendation has been included in the Flagstaff Zoning Code in the extensively revised and updated Resource Protection Standards Division (10-50.90).

4. Tree Replacement.

In order to achieve required residential densities it is suggested that up to 20% of trees that are required to be protected may be removed, if they are replaced at a ratio of 10:1 for ponderosa pine trees and 5:1 for all other trees.

Staff is conceptually supportive of this concept and after further research will provide recommendations on how it can be included into the Land Development Code as part of future amendments to the Code.

Current Status:

This recommendation has been included in the Flagstaff Zoning Code in the extensively revised and updated Resource Protection Standards Division (10-50.90).

5. Consolidated Zones.

The Task Force recommends that as many of the Land Development Code's existing zoning districts should be consolidated and simplified, especially for the multi-family residential zoning districts.

Staff is conceptually supportive of this concept and after further research will provide recommendations on how it can be included into the Land Development Code as part of future amendments to the Code.

Current Status:

This recommendation has been included in the Flagstaff Zoning Code in the extensively revised and updated zoning districts for the City in which many zones were consolidated and even eliminated.

6. Create a High-Rise District.

This recommendation supports the creation of a district where buildings could be constructed as high as six to twelve stories so that residential uses could be established over existing or proposed commercial uses. Careful consideration needs to be given to adjacent uses and viewsheds.

Staff is conceptually supportive of this concept and after further research will provide recommendations on how it can be included into the Land Development Code as part of future amendments to the Code.

Current Status:

This recommendation has not been included in the Flagstaff Zoning Code. While the concept of increased density is supported in the Flagstaff Regional Plan considerable thought needs to be given to where such high-rise districts should be established, who the occupants of such a district may include, and on how to address such issues as traffic, impacts to utilities, etc.

7. Change the Urban Growth Boundary.

It is suggested that a more flexible urban growth boundary based on a 20-year projected need should be developed to replace the inflexible urban growth boundary now adopted as part of the Regional Plan.

Staff is conceptually supportive of this concept and after further research will provide recommendations on how it can be included as part of future amendments to the Regional Plan.

Current Status:

A more flexible urban growth boundary (UGB) was examined during the growth scenarios process for the Regional Plan development. The Preferred Scenario showed that there is enough capacity within the urban growth boundary for at least 50 years of projected population growth. Given the capacity for growth within the current UGB it was determined an expansion would be a major plan amendment.

RECOMMENDATION / CONCLUSION

This report is for information only.

FLAGSTAFF COMMUNITY HOUSING POLICY TASK FORCE

FINAL REPORT

DECEMBER 5, 2005

BACKGROUND

The Community Housing Policy Task Force was authorized by Resolution 2004-97, which was adopted by the Flagstaff City Council on December 21, 2004. The nineteen members were comprised of individuals involved with housing, major employers, at large community representatives and four Community Development staff members. The purpose of the Task Force was to review all relevant City of Flagstaff (City) policies, standards and regulations related to land use, development standards and processes and recommend changes to the Council that result in increasing the supply of affordable housing for all segments of the community. The committee was to provide the recommendations to the Planning and Zoning Commission to seek their review and comment prior to presentation to the City Council. (See Appendix A for Resolution 2004-97.)

On February 15, 2005, the Council appointed the members to the Task Force (see Appendix B) and the first Task Force meeting was held on April 7, 2005. The thirteen meetings of the Task Force can be divided into three phases: Organization and Overview (April-May); Identification of Specific Strategies (June-August); Consensus and Recommendations (September-December).

Organization and Overview

During the six meetings in April and May, the Task Force organized itself, and adopted a mission statement: ***To make progressive and practical recommendations to the City Council to improve, streamline and facilitate the development of policies, procedures and regulation in order to maximize the ability for the working population to live in Flagstaff.***

In addition, the Task Force received brief overviews of the Land Development Code, the Regional Plan, and the Community Land Trust Program. Members analyzed the components of the cost of housing, heard reports on the current market, projected developments and available land, and did a Strengths, Weaknesses, Opportunities and Threats (SWOT) analysis of housing in Flagstaff. The SWOT analysis was used to identify four smaller working groups: Land Supply, Engineering Standards, Zoning, and Finance/Bonding.

Identification of Specific Strategies

Each of the four subcommittees met separately during this timeframe to identify strategies that would achieve the Mission Statement. At monthly meetings the Task Force reviewed the recommendations from each sub-committee. It was determined that a timeframe should be associated with each recommendation as to whether, in the mind of the sub-committee, it could be implemented **immediately** (within two years), implemented within the **short term** (within two to five years) or implemented within the **long term** (over five years). In consideration of the timeframe for bringing recommendations to the Council, it was determined to concentrate on the immediate strategies identified by the sub-committees and accepted by the Task Force. During this time, the Engineering Standards and Zoning (also called Land Development Code)

subcommittees merged.

Consensus and Recommendations/Report

The City brought in a facilitator to help the Task Force build consensus through critically evaluating the thirty-nine recommendations it had made “for immediate implementation”. In addition, the facilitator helped the Task Force with a policy statement about the beneficiaries of the housing created through these recommendations. Task Force members collaborated to prepare the report.

Reports

As described above, this report reflects the first set of recommendations from the Task Force. Considering the enormity and complexity of the task and the numerous suggestions that came forward, the Task Force felt it was premature to go to the Planning and Zoning Commission or City Council until it could actually make official recommendations. No quarterly reports were made in order to avoid presenting incomplete or misleading information that could detract from the mission of the Task Force. It was understood that the Council was being informed of the activity of the Task Force through City staff, Council members in attendance, and through the minutes of the Task Force. In addition, it is recommended the City Council expand the tenure of the Housing Policy Task Force to meet once in the Fall of 2006 to assess the progress of these recommendations.

Definitions

1. Area Median Income – Area Median Income is a number set by the United States Department of Housing and Urban Development based on a variety of factors and representing wages and earnings in the community. Area Median Income is relative to family size and community dynamics.
2. Workforce Housing – Workforce housing, as targeted by the policy recommendations being advocated by the Community Housing Policy Task Force, is housing that is affordable to residents, or potential residents, who earn up to 150% of the Area Median Income for their family size, when they are spending no more than 35% of their gross income on housing.

RECOMMENDATIONS

The Task Force recommends that **policies and incentives be tied to owner occupancy, or rental units inhabited by full time community residents with, wherever possible, permanent affordability ensured by a legally sound mechanism.**

To identify specific initiatives for increasing the supply of workforce housing, members of the Task Force divided themselves into four subcommittees. The subcommittees met over several months, during which they brainstormed recommendations particular to their topic, assessed their potential implications, viability and appropriateness, and

reported their findings back to the group as a whole. Originally, the criterion the Task Force used to sort the recommendations was that of time, whether the initiative could be implemented within two years, or would take longer. The Task Force determined that the recommendations, which follow, could be put into place within this shorter time frame. The set of criteria the group used to evaluate the recommendations included: impact on the number of affordable units, feasibility of implementation, availability of financial and other resources, and community support. The recommendations were measured against these criteria to help identify potential challenges. (See Appendix C.)

It became clear that the greatest challenge to implementing the recommendations could be in the area of public education. Most recommendations have the potential for significant impact and could be implemented on a policy/administrative basis with little trouble, but the Task Force believes public reaction produces the greatest prospect for roadblocks against achieving success. An overall recommendation, then, is that the City recognize this need and **implement a public education process without delay.**

The consensus reached by the Housing Task Force, in terms of the Land Development Code and engineering standards focused mainly on specific recommendations with intentionally few detailed numerical specifics to allow for additional research and discussion. The initial subcommittee recommendations did include specific details that are included in this report as Appendix D

Land Supply

The Task Force recognized that developable land in Flagstaff has become scarce. Rapidly increasing land costs have severely impacted the affordability of existing homes and the projected cost of new housing under development. Recommendations in this section are intended to increase the supply of or access to land for workforce housing.

City-owned and other publicly-owned land – The City owns several pieces of undeveloped land that could be used for workforce housing. The Flagstaff Unified School District, Coconino County, and Northern Arizona University are examples of other public entities that own vacant parcels of land. It is recommended that a survey of such vacant parcels should be made to:

- Identify City-owned parcels for immediate development of workforce housing;
- Explore use of other publicly owned land for workforce housing and mixed use projects.

Neighborhood Planning – The City has begun to do neighborhood planning in several sections of the City. Recognizing the limits of staff time and resources, it is recommended that neighborhood based planning take place throughout the City. It is recommended that this process should:

- Identify infill and redevelopment sites;
- Identify underutilized sites throughout the City;
- Develop incentives for redevelopment;
- Encourage placement of workforce housing throughout the community.

State Trust Land – Several sections of State Trust Land are located within or adjacent to the City limits. The State Land Department is required to maximize the benefit to public schools through the sale or exchange of these sections and has not been open in the past to other criteria. Because of the amount of land that could become available, it is recommended that the City:

- Advocate that as a condition of the sale or exchange, a percentage of the State Trust Land be used to provide workforce housing;
- Advocate that State Trust Land that is sold or exchanged for residential use include a restriction that a high percentage of the housing be owner/occupied;
- Require residential developments on newly acquired State Trust Land within the City to include workforce housing.

Forest Service Land – There are several parcels of U.S. Forest Service (USFS) land within or adjacent to the City that are heavily impacted by the urban interface. It is recommended that the City be involved in the upcoming planning effort for the Coconino National Forest to:

- Identify USFS sites that would be appropriate for residential development, including workforce housing;
- Secure community input concerning appropriate parcels;
- Identify ways that USFS sites may be obtained.

Annexation – Public and private lands adjacent to the City limits may be better utilized for denser development than allowed under County zoning designations. It is recommended that:

- Potential annexation areas be identified.

Standards and Engineering

Discussions during the subcommittee process revealed that there was a great deal of crossover between the Standards and Engineering Subcommittees. The two agreed to merge and developed one comprehensive set of recommendations. In evaluating the subcommittee's recommendations, two things became clear:

- While each item individually would make a difference, it is the bundling of them that would achieve the greatest impact;
- Since the most significant cost of any project was in the land, initiatives to bring down costs in other areas would have less impact than those aimed at increasing land availability for development and density in order to more efficiently use the land, thereby increasing the supply of housing options.

Perhaps one of the most important recommendations is for a **comprehensive revision of the Land Development Code** to address specific barriers and enable opportunities which will put an emphasis on housing affordability.

- While the Task Force recognizes that this project will likely take more than the two-year time frame for most recommendations, we believe it is fundamental to the success of housing affordability and work must begin immediately.

Similarly, **expansion and improvement of infrastructure to facilitate infill projects and new development** is a high priority.

- A potential component of this would be a “buy-in” method for developers.

While it is understood that ultimately methods and measurements for **resource protection** will be addressed in the LDC revision, there are a number of things that could be done now which would not have a significant impact on resource protection performance, but would free up more land within a project for development. Those include:

- Overlapping resource protection areas so that floodplain, steep slopes and trees could occupy the same space and be counted as preservation under each category;
- When utilities cannot be placed in roadways and for detention areas, impacted resources would not be counted as “disturbed resources” subject to resource protection measures.

Another recommendation would allow for more **efficient layout of lots** in single family and duplex residential developments.

- In lieu of providing side yards for property lines and rear yards for rear property lines, the required side yard may be applied to both, as long as a minimum amount of open yard area is provided on the property and meet criteria regarding location and minimum contiguous area.

The Task Force also recommends that the **threshold for requiring detention facilities be raised**, allowing drainage to a public way in these instances:

- Although the group discussed some specific numbers, they felt that research and staff expertise was needed to determine what the new threshold might be;
- This would be done to allow smaller projects to maximize use of the property without having to set aside a large portion of it for detention.

A number of recommendations dealt with **parking and driveway standards**:

- One very simple change will allow tandem parking;
- Reduce the requirements for parking units in multi-family buildings;
- Use driveways in lieu of streets in smaller projects, subject to Fire Department and Waste Management requirements;
- Tied in with this last item, suggestions are made regarding the necessary standards for driveways which will utilize less land resources, while still meeting access needs.

Another section of recommendations deals with **basic zoning in multi-family and mixed-use developments**:

- In multi-family developments, it is proposed that minimum lot sizes be reduced, calling for minimum lot dimensions;
- Allowed density be increased by use of a different calculation method;
- Maximum lot coverage be increased;

- Setbacks be reduced to accommodate the smaller lot size and the additional lot coverage allowance;
- Building height increased to allow additional floors;
- In order to quickly facilitate mixed-use development, allow any type of residential development as a “permitted use” in as many zones as possible, excluding zones that would allow industrial and heavy automotive uses.

Recommendations were also made in the area of **setbacks**:

- Reduce setbacks with rear and side lot lines for detached garages in single family and duplex residential developments;
- Setbacks for accessory dwelling units over detached garages should have some minimum setback requirement.

Additionally, on the topic of **accessory dwelling units** (commonly referred to as “granny flats”), the Task Force recommends that the familial requirement for residency in accessory dwelling units be eliminated and that they be allowed on all lots over a certain size, with some exceptions in existing single-family neighborhoods.

There were also a few proposals of a more general nature:

- Staff should encourage subdivision developers to locate and install **curb-cuts** as part of their initial planning and construction. This is viewed as a meaningful cost saving measure where feasible;
- A process needs to be developed where the Planning Director (or appropriate staff person) can make a finding of “**substantial conformance**” and allow projects with minor changes to proceed through the permit process without being directed back to the approving body, such as Council or Planning & Zoning. Such changes might include minor site zoning re-organizations for mixed use developments, minor changes in project areas, and similar changes that do not materially change the project;
- **Guidelines concerning the affordable component of subdivisions** built by the private sector in exchange for incentives need to be developed which include building of affordable components up front or with each phase, exterior appearance, targeted buyer, permanent affordability, etc.;
- The City is to continue to **research other jurisdictions** to evaluate policies, procedures, and best practices;
- The City should also evaluate the **expansion of the urban growth boundary to accommodate growth needs**.

Bonding and Financing

The Task Force recognizes that funding sources to create workforce housing are limited. Federal, State and City budgets are strained and funding sources currently available may change yearly. Adapting strategies to continue funding workforce housing programs, projects and developments is of critical importance.

Recommendations in this section are intended to identify the supply needs for workforce housing in our community and outline sectors of the community that can provide funding.

Workforce Housing Action Plan-The City, Federal/State agencies, non-profits and private entities have a wealth of knowledge and statistical data regarding the housing demands/needs of the Flagstaff workforce. The Task Force recommends funding a comprehensive needs assessment specific to Flagstaff's housing market. Goals and benefits of this study would be as follows:

- Identify a level of community sustainability for rental and ownership housing;
- Quantify housing capacity needed to solve workforce housing shortages;
- Be used as a guide and community education tool for residents to understand workforce housing;
- Address short term and long term social and economic benefit to support housing sustainability;
- Quantify necessary units and timelines relevant to bonding for workforce housing.

Maximize Government Funding-Current public funding sources and resources available in the future will change. Government must adapt to these changes quickly to lessen the gap between the workforce income and housing costs.

- **Acquire significant bonding capacity to fund land purchases and development of more workforce housing;**
- Partner with private sector and non-profits to leverage funding resources;
- Continue support of Federal tax credits for rental housing in Flagstaff;
- Support continued funding of AZ State Home Fund (down payment and other assistance);
- Promote the greatest leverage for CDBG funding;
- Increase Mortgage Revenue Bond programs;
- Pursue IDA mortgage and bond funding;
- Partner city programs with Fannie Mae programs;
- Reinvest money from land equities and housing program income to produce more housing;
- Pursue all new financing and funding sources to promote workforce housing stock;
- Create Capital Improvements Districts with a recapture agreement to stimulate housing production.

Private Employers and Major Community Employers - Public and private sector employers will be negatively impacted by the lack of workforce housing. The following

topics to promote employer participation can have direct benefit to employee retention, recruitment and community goodwill:

- Educate employers as to the benefits of community sustainability;
- Employee homebuyer savings plans;
- Equity sharing programs;
- Homebuyer down payment and closing cost assistance;
- City/non-profits and private sector to promote housing counseling workshops to employers;
- Homebuyer counseling programs;
- Develop employee housing-mixed use development;
- Land Trust participation.

City Charter Amendment -The Task Force recommends amending the City Charter to increase the spending limits related to financing development of workforce housing.

APPENDIX

- A. Enabling Resolution
- B. Task Force Members and Participants
- C. Evaluation Matrix
- D. LDC and Engineering Subcommittee Final Recommendations

HOUSING TASK FORCE RECOMMENDATION CRITERIA MATRIX

TIMEFRAME		
Immediate 0-2 years	Short Term 2-5 years	Long Term 5+ years
		

IMPACT		
Affordable Units	Minimal Increase in Affordable Units	No Increase in Affordable Units
		

FEASIBILITY OF IMPLEMENTATION		
Very Feasible	Feasible	Not So Feasible
		

COST FUNDING		
Available	Possible	Not Possible
		

RESOURCES		
Available	Possible	Not Possible
		

COMMUNITY		
Acceptance	Unknown	Rejection
		

Consensus on each recommendation, per the established criteria, was determined as follows:

RECOMMENDATION	Timeframe	Impact	Feasibility	Cost	Resources	Community
BONDING & FINANCE SUBCOMMITTEE RECOMMENDATIONS						
Fund needs assessment	●	●	●	●	●	●
Administer & promote other government funding	●	●	■	■	■	●
Private employers & major community employers	●	●	■	■	●	●
Amend City Charter for Workforce Housing (citizen vote)	●	●	●	●	●	■
LAND SUBCOMMITTEE RECOMMENDATIONS						
Advocate & Identify land exchange and use of percentage of State Trust Lands for Workforce Housing	●	●	●	●	●	■
Assure State lands include affordable housing and owner-occupied units.	■	●	◆	◆	●	■
Identify USFS sites for potential development.	●	●	■	■	◆	■
Undertake neighborhood planning and identify infill and redevelopment needs.	●	●	●	■	■	■
Identify potential annexation areas.	■	●	■	●	■	■
Identify and redevelop underutilized sites	●	●	●	●	●	■
Identify City-owned parcels for immediate development of workforce housing – Explore use of City & other publicly owned land for affordable housing & mixed-use projects.	●	●	●	●	●	■
Revise Regional Plan to emphasize affordable housing as a guiding principle.	◆	■	◆	■	◆	◆

RECOMMENDATION	Timeframe	Impact	Feasibility	Cost	Resources	Community
LDC & ENGINEERING SUBCOMMITTEE RECOMMENDATIONS						
Revise Land Development Code and emphasize affordable housing.	◆	●	■	●	■	■
Expand and improve existing infrastructure for infill projects.	■	■	■	◆	◆	■
Stormwater: Change threshold for requiring detention facilities.	●	■	■	●	●	●
Exclude resources removed for required facilities.	●	●	●	●	●	■
Overlapping resource protection areas.	●	●	●	●	●	■
Use of driveways	●	■	■	●	●	■
Promote installation of curb cuts with initial subdivision construction.	●	■	■	●	●	●
Driveway standards for multi-family units.	■	■	■	●	●	■
Establish a substantial conformance process.	●	●	●	●	●	■
Alternative yards for new single-family and duplex developments.	●	●	●	●	●	●
Setbacks for: Detached garage & duplexes Granny units over detached Garages	●	●	●	●	●	■
Granny Units/Provide tools for mixed-use development.	●	●	■	●	●	◆
Research other jurisdictions	●	■	■	■	●	■
Develop Standards for Multi-Family Development	●	●	●	●	●	■
Tandem Parking Permitted & Parking Requirements for multi-family buildings	●	●	●	●	●	■
Change subdivision guidelines to include incentives for developers	●	●	◆	●	●	◆

RECOMMENDATION	Timeframe	Impact	Feasibility	Cost	Resources	Community
Provide tools for mixed-use development & Mixed-use development						



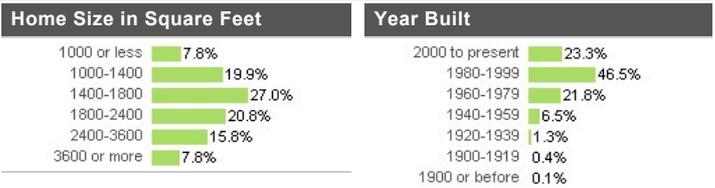
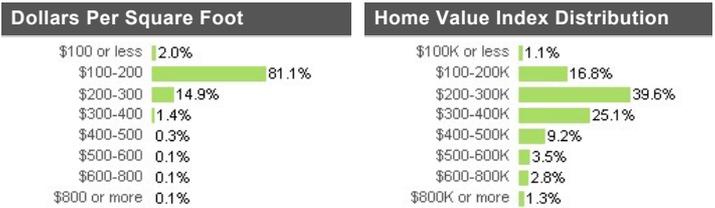
CHOOSE FLAGSTAFF

Flagstaff Housing Report 0416

Housing Affordability Data		
	Flagstaff	Nation
Zillow Home Value Index	\$318,200.00	\$186,200.00
Median Single Family Home Value	\$329,700.00	\$184,900.00
Median Condo Value	\$248,000.00	\$195,900.00
Median 2-Bedroom Home Value	\$213,200.00	\$144,000.00
Median 3-Bedroom Home Value	\$312,500.00	\$179,400.00
Median 4-Bedroom Home Value	\$420,100.00	\$298,900.00
Percent Homes Decreasing	12.10 %	29.00 %
Percent Listing Price Reduction	0	0
Median List Price Per Sq Ft	\$178.00	\$118.00
Median List Price	0	0
Median Sale Price	\$307,100.00	\$214,000.00
Homes For Sale	0	0
Homes Recently Sold	0	0
Property Tax	\$1,595.00	\$2,170.00
Turnover (Sold Within Last Yr.)	4.30 %	4.30 %
Median Value Per Sq Ft	0	0
1-Yr. Change	7.00 %	4.80 %
Homes For Sale By Owner	-	-
New Construction	-	-
Foreclosures	-	-

Homes & Real Estate Data		
	Flagstaff	Nation
Owners	48.15 %	66.27 %
Renters	51.85 %	33.73 %
Median Home Size (Sq. Ft.)	1715	-
Avg. Year Built	1988	-
Single-Family Homes	60.36 %	-
Condos	12.91 %	-

Median Condo Value	Median Home Value
This data is not available in this area.	This data is not available in this area.



See Flagstaff, Arizona Real Estate on Zillow

Wage, Cost of Living and Housing Summary

Community	BLS Mean Wage	% of Flag	COL Index	Housing to Flag
Flagstaff	34,440	0%	116	0%
PHX/Scotts	40,110	16.5%	100	50%
Tucson	39,650	15.1%	97	94%
San Jose	64,310	86.7%	158	-31%
Los Angeles	47,640	38.3%	142	-32%
Fresno	39,920	15.9%	119	84%
Las Vegas	38,720	12.4%	100	51%
Alburquerque	38,800	12.6%	98	86%
Salt Lake City	40,610	17.9%	98	69%
Denver	47,150	36.9%	101	61%
Ft Collins	41,990	21.9%	91	92%
Missoula	34,270	-0.5%	101	77%
Logan, UT	31,620	-5.2%	98	117%

Sorted by Mean Wage

Community	BLS Mean Wage	% of Flag	COL Index	Housing to Flag
Logan, UT	31.6	-5.2%	98	117%
Missoula	34.3	-0.5%	101	77%
Flagstaff	34.4	0%	116	0%
Las Vegas	38.7	12.4%	100	51%
Alburquerque	38.8	12.6%	98	86%
Tucson	39.6	15.1%	97	94%
Fresno	39.9	15.9%	119	84%
PHX/Scotts	40.1	16.5%	100	50%
Salt Lake City	40.6	17.9%	98	69%
Ft Collins	41.2	21.9%	91	92%
Denver	47.1	36.9%	101	61%
Los Angeles	47.6	38.3%	142	-32%
San Jose	64.3	86.7%	158	-31%

Sorted by COL Index

Community	BLS Mean Wage	% of Flag	COL Index	Housing to Flag
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Sorted by Housing to Flagstaff

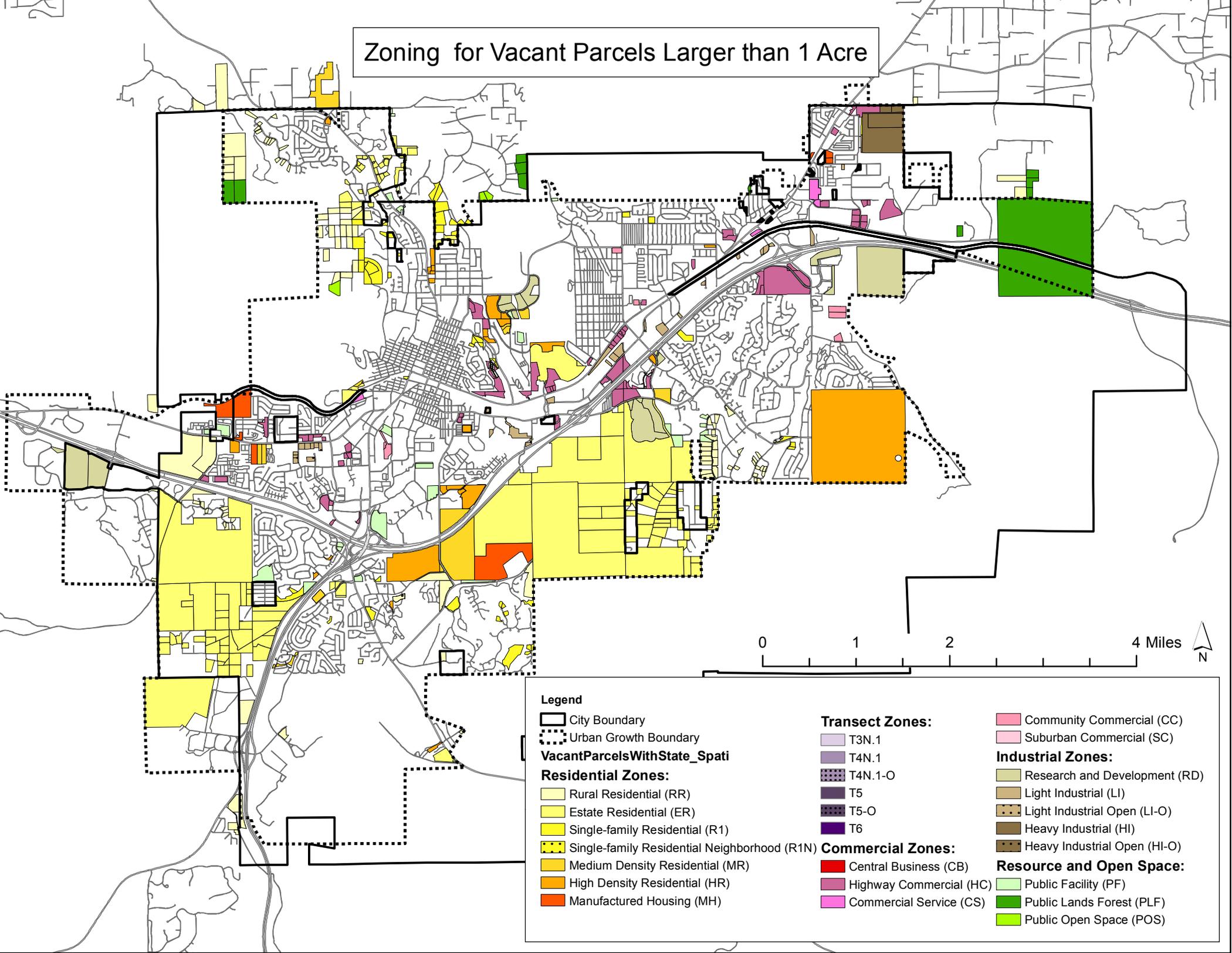
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Summary of information from Coconino County Assessor's Data (2015):

City of Flagstaff-Zip Codes 86001,86004,86005	Number of Units
Primary Dwellings	11,167
Non-Primary	3,562
Rental	<u>4,439</u>
<u>Total Residential</u>	19,168

<u>Zip Codes</u>	Number of Units		
	<u>86001</u>	<u>86004</u>	<u>86005</u>
Single Family Dwellings	729	769	301
Condos/Townhomes	534	693	129
Mobile Homes	165	268	56
Duplex	124	128	12
Triplex	19	0	39
Fourplex	49	47	1
Apartment Complexes	69	30	14

Zoning for Vacant Parcels Larger than 1 Acre



Legend

City Boundary

Urban Growth Boundary

VacantParcelsWithState_Spati

Residential Zones:

- Rural Residential (RR)
- Estate Residential (ER)
- Single-family Residential (R1)
- Single-family Residential Neighborhood (R1N)
- Medium Density Residential (MR)
- High Density Residential (HR)
- Manufactured Housing (MH)

Transect Zones:

- T3N.1
- T4N.1
- T4N.1-O
- T5
- T5-O
- T6

Commercial Zones:

- Central Business (CB)
- Highway Commercial (HC)
- Commercial Service (CS)

Community Commercial (CC)

Suburban Commercial (SC)

Industrial Zones:

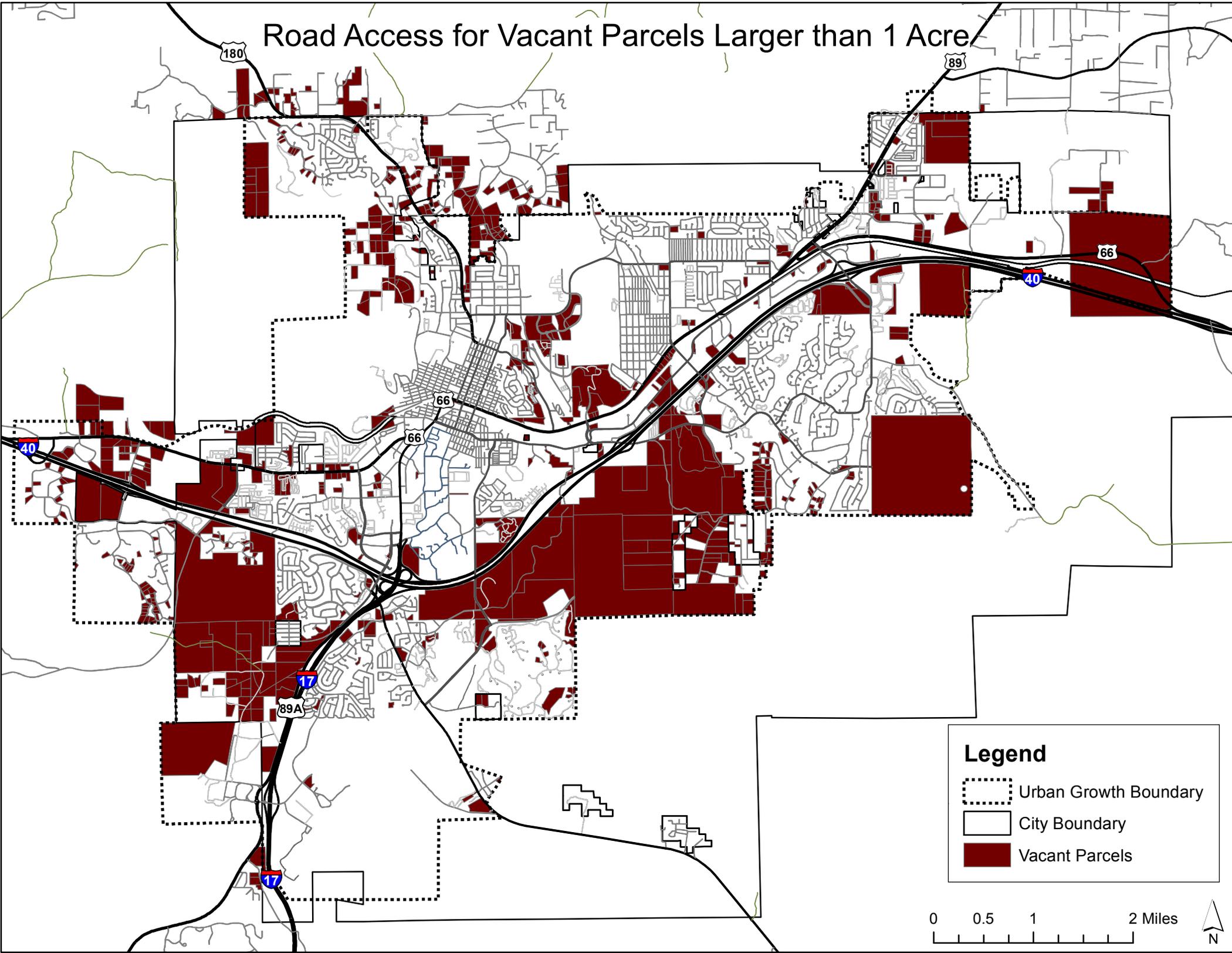
- Research and Development (RD)
- Light Industrial (LI)
- Light Industrial Open (LI-O)
- Heavy Industrial (HI)
- Heavy Industrial Open (HI-O)

Resource and Open Space:

- Public Facility (PF)
- Public Lands Forest (PLF)
- Public Open Space (POS)



Road Access for Vacant Parcels Larger than 1 Acre



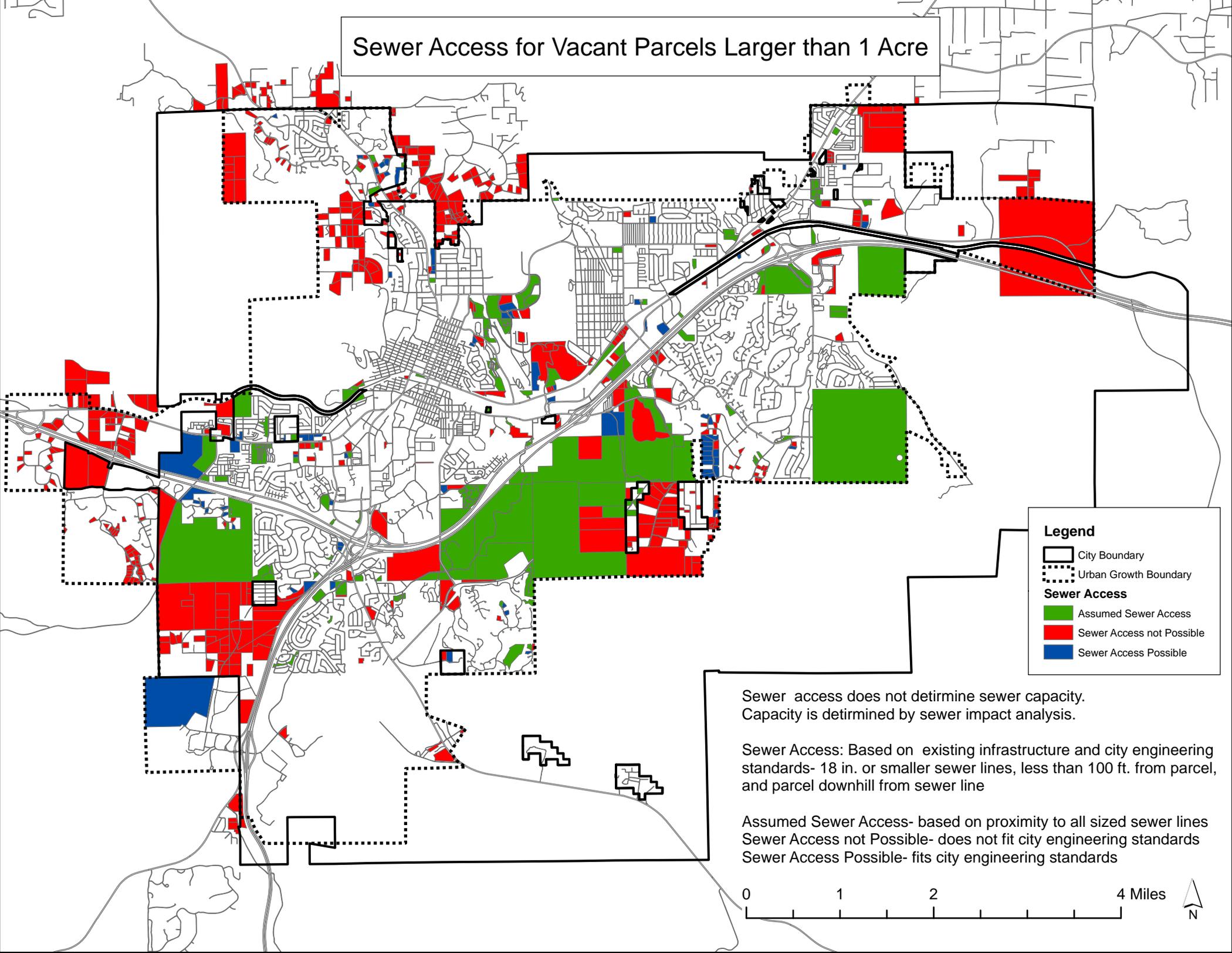
Legend

-  Urban Growth Boundary
-  City Boundary
-  Vacant Parcels

0 0.5 1 2 Miles



Sewer Access for Vacant Parcels Larger than 1 Acre



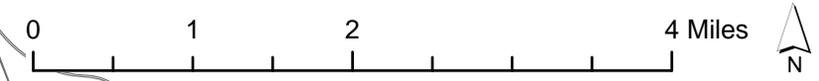
Legend

- City Boundary
- Urban Growth Boundary
- Sewer Access**
 - Assumed Sewer Access
 - Sewer Access not Possible
 - Sewer Access Possible

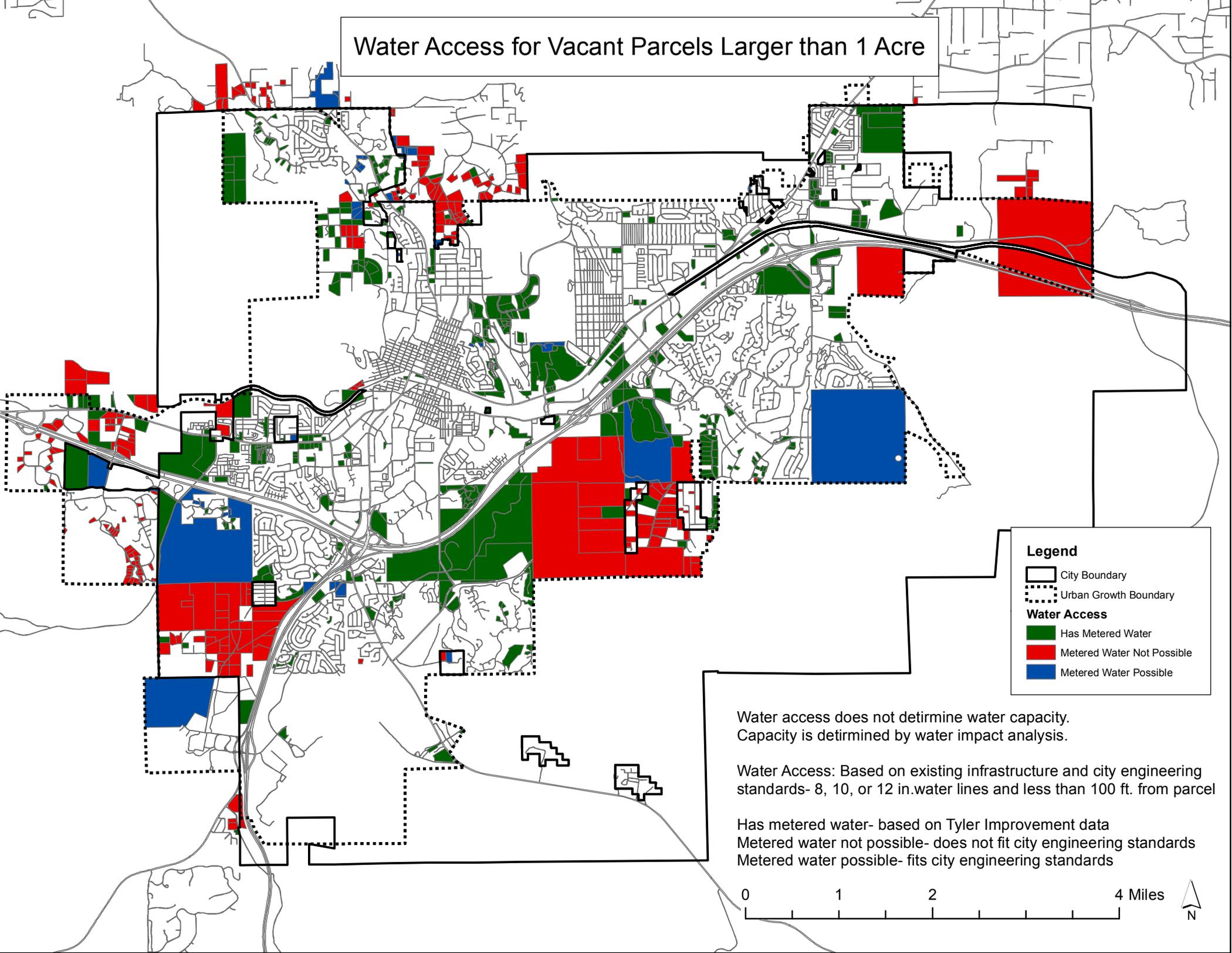
Sewer access does not determine sewer capacity. Capacity is determined by sewer impact analysis.

Sewer Access: Based on existing infrastructure and city engineering standards- 18 in. or smaller sewer lines, less than 100 ft. from parcel, and parcel downhill from sewer line

Assumed Sewer Access- based on proximity to all sized sewer lines
Sewer Access not Possible- does not fit city engineering standards
Sewer Access Possible- fits city engineering standards



Water Access for Vacant Parcels Larger than 1 Acre



Legend

- City Boundary
- Urban Growth Boundary
- Water Access**
- Has Metered Water
- Metered Water Not Possible
- Metered Water Possible

Water access does not determine water capacity.
Capacity is determined by water impact analysis.

Water Access: Based on existing infrastructure and city engineering standards- 8, 10, or 12 in. water lines and less than 100 ft. from parcel

Has metered water- based on Tyler Improvement data
Metered water not possible- does not fit city engineering standards
Metered water possible- fits city engineering standards

0 1 2 4 Miles

